

# FEDERAL REGISTER

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## TITLE 3—THE PRESIDENT

### PROCLAMATION 2793

**DETERMINING THE DRUG ISOAMIDONE TO BE AN OPIATE**

BY THE PRESIDENT OF THE UNITED STATES  
OF AMERICA  
A PROCLAMATION

WHEREAS section 3228 (f) of the Internal Revenue Code provides in part as follows:

(f) *Opiate*. The word "opiate" as used in this part and subchapter A of chapter 23 shall mean any drug (as defined in the Federal Food, Drug, and Cosmetic Act) found by the Secretary of the Treasury, after due notice and opportunity for public hearing, to have an addiction-forming or addiction-sustaining liability similar to morphine or cocaine, and proclaimed by the President to have been so found by the Secretary;

AND WHEREAS the Secretary of the Treasury, after due notice and opportunity for public hearing, has found the drug Isoamidone (4,4-diphenyl-5-methyl-6-dimethylaminohexanone-3) to have an addiction-forming and addiction-sustaining liability similar to morphine, and that in the public interest this finding should be effective immediately.

NOW THEREFORE, I, HARRY S. TRUMAN, President of the United States of America, do hereby proclaim that the Secretary of the Treasury has found the drug Isoamidone (4,4-diphenyl-5-methyl-6-dimethylaminohexanone-3) to have an addiction-forming and addiction-sustaining liability similar to morphine, and that in the public interest this finding should be effective immediately.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the United States to be affixed.

DONE at the City of Washington this 1st day of July in the year of our Lord nineteen hundred and forty-eight, and of the Independence of the United States of America the one hundred and seventy-second.

HARRY S. TRUMAN

By the President:

G. C. MARSHALL,  
Secretary of State.

[F. R. Doc. 48-6059; Filed, July 2, 1948;  
10:33 a. m.]

## TITLE 7—AGRICULTURE

**Chapter IX—Production and Marketing Administration (Marketing Agreements and Orders)**

[Plum Orders 1, 2, 3, and 4, Amdts.]

**PART 936—FRESH BARTLETT PEARS, PLUMS, AND ELBERTA PEACHES GROWN IN CALIFORNIA**

### MISCELLANEOUS AMENDMENTS

(a) *Findings*. (1) Pursuant to the marketing agreement, as amended, and Order No. 36, as amended (7 CFR, Cum. Supp., 936.1 et seq.) regulating the handling of fresh Bartlett pears, plums and Elberta peaches grown in the State of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended, and upon the basis of the recommendations of the Plum Commodity Committee, established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of Beauty, Formosa, Santa Rosa, and Climax plums, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that compliance with the preliminary notice and public rule-making procedure requirements and the 30-day effective date requirement of the Administrative Procedure Act (60 Stat. 237; 5 U. S. C. 1001 et seq.) is impracticable and contrary to the public interest in that the time intervening between the date when information upon which these amendments are based became available and the time when these amendments must become effective in order to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937, as amended, is insufficient for such compliance, and a reasonable time is permitted, under the circumstances, for preparation for such effective date.

(b) It is, therefore, ordered as follows:

(1) The provisions in §§ 936.327 (b) (1) (i) and (4) (Plum Order 1; 13 F. R. 2981) shall during the period beginning at 12:01 a. m., California d. s. t., July 3, 1948, and ending at 12:01 a. m., California d. s. t., August 1, 1948, read as follows:

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§ 936.327 Plum Order 1. \* \* \*

(b) Order. (1) \* \* \*

(1) Any package or container of Beauty plums containing plums which do not meet the requirements of U. S. No. 1 grade (as specified for such grade in the United States Standards for plums and prunes (fresh) as amended, 12 F. R. 2305; 13 F. R. 2423) with a total tolerance of ten (10) percent for defects not considered serious damage, in addition to the usual tolerances permitted in said United States Standards; or

(4) Notwithstanding the provisions contained in paragraphs (b) (3) and (5) of this section, any shipper may ship

each day into or in either the San Francisco-Sacramento region or the Los Angeles region or through either of the aforesaid regions from a point in the State of California to another point in the State of California a single shipment of plums aggregating not more than 900 pounds, net weight, of Beauty plums and of all other varieties of plums with respect to which any grade or size regulation, issued pursuant to the amended marketing agreement and order, is in effect, without having the Beauty plums included in such shipment inspected by the aforesaid Federal-State Inspection Service: *Provided*, That such shipper shall comply with all grade and size regulations applicable to the shipment of such Beauty plums: *And provided, further* That, such shipper submits or causes to be submitted promptly to the Plum Commodity Committee a report, with respect to each such shipment, setting forth the quantity of the Beauty plums so shipped.

(2) The provisions in §§ 936.320 (b) (1) (i) and (4) (Plum Order 2; 13 F. R. 2983) shall during the period beginning at 12:01 a. m., California d. s. t., July 3, 1948, and ending at 12:01 a. m., California d. s. t., August 1, 1948, read as follows:

§ 936.328 Plum Order 2. \* \* \*

(b) Order (1) \* \* \*

(i) any package or container of Formosa plums containing plums which do not meet the requirements of U. S. No. 1 grade (as specified for such grade in the United States Standards for plums and prunes (fresh), as amended, 12 F. R. 2305; 13 F. R. 2423), with a total tolerance of ten (10) percent for defects not considered serious damage, in addition to the usual tolerances permitted in said United States Standards, or

(4) Notwithstanding the provisions contained in paragraphs (b) (3) and (5) of this section, any shipper may ship each day into or in either the San Francisco-Sacramento region or the Los Angeles region or through either of the aforesaid regions from a point in the State of California to another point in the State of California a single shipment of plums aggregating not more than 900 pounds, net weight, of Formosa plums and of all other varieties of plums with respect to which any grade or size regulation, issued pursuant to the amended marketing agreement and order, is in effect, without having the Formosa plums included in such shipment inspected by the aforesaid Federal-State Inspection Service: *Provided*, That such shipper shall comply with all grade and size regulations applicable to the shipment of such Formosa plums: *And provided, further* That such shipper submits or causes to be submitted promptly to the Plum Commodity Committee a report, with respect to each such shipment, setting forth the quantity of the Formosa plums so shipped.

(3) The provisions in § 936.329 (b) (1) (i) and (4) (Plum Order 3; 13 F. R. 3011) shall during the period beginning at 12:01 a. m., California d. s. t., July 3, 1948, and ending at 12:01 a. m., Califor-

nia d. s. t., September 16, 1948, read as follows:

§ 936.329 Plum Order 3. \* \* \*

(b) Order. (1) \* \* \*

(i) any package or container of Santa Rosa plums containing plums which do not meet the requirements of U. S. No. 1 grade (as specified for such grade in the United States Standards for plums and prunes (fresh) as amended, 12 F. R. 2305; 13 F. R. 2423), with a total tolerance of ten (10) percent for defects not considered serious damage, in addition to the usual tolerances permitted in said United States Standards; or

(4) Notwithstanding the provisions contained in paragraphs (b) (3) and (5) of this section, any shipper may ship each day into or in either the San Francisco-Sacramento region or the Los Angeles region or through either of the aforesaid regions from a point in the State of California to another point in the State of California a single shipment of plums aggregating not more than 900 pounds, net weight, of Santa Rosa plums and of all other varieties of plums with respect to which any grade or size regulation, issued pursuant to the amended marketing agreement and order, is in effect, without having the Santa Rosa plums included in such shipment inspected by the aforesaid Federal-State Inspection Service: *Provided*, That such shipper shall comply with all grade and size regulations applicable to the shipment of such Santa Rosa plums: *And provided, further* That, such shipper submits or causes to be submitted promptly to the Plum Commodity Committee a report, with respect to each such shipment, setting forth the quantity of the Santa Rosa plums so shipped.

(4) The provisions in §§ 936.330 (b) (1) (i) and (4) (Plum Order 4; 13 F. R. 3012) shall during the period beginning at 12:01 a. m., California d. s. t., July 3, 1948, and ending at 12:01 a. m., California d. s. t., August 16, 1948, read as follows:

§ 936.330 Plum Order 4. \* \* \*

(b) Order. (1) \* \* \*

(i) any package or container of Climax plums containing plums which do not meet the requirements of U. S. No. 1 grade (as specified for such grade in the United States Standards for plums and prunes (fresh) as amended, 12 F. R. 2305; 13 F. R. 2423) with a total tolerance of fifteen (15) percent for defects not considered serious damage, in addition to the usual tolerances permitted in said United States Standards; or

(4) Notwithstanding the provisions contained in paragraph (b) (3) and (5) of this section, any shipper may ship each day into or in either the San Francisco-Sacramento region or the Los Angeles region or through either of the aforesaid regions from a point in the State of California to another point in the State of California a single shipment of plums aggregating not more than 900 pounds, net weight, of Climax plums and of all other varieties of plums with respect to which any grade or size regulation, issued pursuant to the amended market-

ing agreement and order, is in effect, without having the Climax plums included in such shipment inspected by the aforesaid Federal-State Inspection Service: *Provided*, That such shipper shall comply with all grade and size regulations applicable to the shipment of such Climax plums: *And provided, further* That, such shipper submits or causes to be submitted promptly to the Plum Commodity Committee a report, with respect to each such shipment, setting forth the quantity of the Climax plums so shipped.

(c) Nothing contained herein shall be construed (1) as affecting or waiving any right, duty, obligation, or liability which has arisen or which, prior to the effective time of the provisions hereof, may arise in connection with any provision of said Plum Orders 1, 2, 3, or 4, or (2) as releasing or extinguishing any violation of said Plum Orders 1, 2, 3, or 4 which has occurred or which, prior to the effective time of the provisions hereof, may occur. (48 Stat. 31, as amended; 7 U. S. C. 601 et seq., 7 CFR, Cum. Supp., 936.1 et seq.)

Done at Washington, D. C., this 1st day of July, 1948.

[SEAL] S. R. SMITH,  
Director Fruit and Vegetable  
Branch, Production and Marketing Administration.

[F. R. Doc. 48-6017; Filed, July 2, 1948;  
8:49 a. m.]

[Lemon Reg. 281]

#### PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

##### LIMITATION OF SHIPMENTS

§ 953.388 *Lemon Regulation 281—(a) Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR, Cum. Supp., 953.1 et seq., 13 F. R. 766) regulating the handling of lemons grown in the State of California or in the State of Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended, and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of the quantity of such lemons which may be handled, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that compliance with the preliminary notice and public rule-making procedure requirements and the 30-day effective date requirement of the Administrative Procedure Act (60 Stat. 237; 5 U. S. C. 1001 et seq.) is impracticable, unnecessary, and contrary to the public interest in that the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937, as amended, is insufficient for such compliance, and a reasonable time is permitted, under the

circumstances, for preparation for such effective date.

(b) *Order* (1) The quantity of lemons grown in the State of California or in the State of Arizona which may be handled during the period beginning at 12:01 a. m., P. s. t., July 4, 1948, and ending at 12:01 a. m., P. s. t., July 11, 1948, is hereby fixed as follows:

(i) District 1. 800 carloads.

(ii) District 2: unlimited movement.

(2) The prorate base of each handler who has made application therefor, as provided in the said amended marketing agreement and order, is hereby fixed in accordance with the prorate base schedule which is attached hereto and made a part hereof by this reference.

(3) As used in this section, "handler," "handler," "carloads," "prorate base," "District 1," and "District 2" shall have the same meaning as is given to each such term in the said amended marketing agreement and order. (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.)

Done at Washington, D. C., this 1st day of July 1948.

[SEAL] S. R. SMITH,  
Director Fruit and Vegetable  
Branch, Production and Marketing Administration.

##### PRORATE BASE SCHEDULE

###### DISTRICT NO. 1

Storage Date: June 27, 1948

Regulation Period No. 281

[12:01 a. m. July 4, 1948, to 12:01 a. m. July 18, 1948]

| Handler                                 | Prorate base percent |
|---|----------------------|
| Total                                   | 100.000              |
| American Fruit Growers, Inc., Corona    | .280                 |
| American Fruit Growers, Inc., Fullerton | .527                 |
| American Fruit Growers, Inc., Upland    | .215                 |
| Hazeltine Packing Co.                   | .419                 |
| Ventura Coastal Lemon Co.               | 1.867                |
| Ventura Pacific Co.                     | 1.681                |
| Total A. F. G.                          | 4.989                |

|  |       |
|--|-------|
| Klink Citrus Association                   | .000  |
| Lemon Cove Association                     | .000  |
| Glendora Lemon Growers Association         | .921  |
| La Verne Lemon Association                 | .667  |
| La Habra Citrus Association, The           | 1.430 |
| Yorba Linda Citrus Association, The        | 1.171 |
| Olta Loma Heights Citrus Association       | .720  |
| Etiwanda Citrus Fruit Association          | .437  |
| Mountain View Fruit Association            | .546  |
| Old Baldy Citrus Association               | 1.052 |
| Upland Lemon Growers Association           | 5.001 |
| Central Lemon Association                  | .914  |
| Irvine Citrus Association, The             | 1.267 |
| Placentia Mutual Orange Association        | .373  |
| Corona Citrus Association                  | .576  |
| Corona Foothill Lemon Co.                  | 2.714 |
| Jameson Co.                                | 1.054 |
| Arlington Heights Citrus Co.               | .649  |
| College Heights Orange & Lemon Association | 2.835 |
| Chula Vista Citrus Association             | 1.464 |
| El Cajon Valley Citrus Association         | .162  |
| Escondido Lemon Association                | 2.694 |
| Fallbrook Citrus Association               | 1.231 |
| Lemon Grove Citrus Association             | .536  |
| San Dimas Lemon Association                | 1.182 |
| Carpinteria Lemon Association              | 2.225 |

##### PRORATE BASE SCHEDULE—Continued

###### DISTRICT NO. 1—continued

| Handler                                      | Prorate base (percent) |
|--|------------------------|
| Carpinteria Mutual Citrus Association        | 2.016                  |
| Goleta Lemon Association                     | 3.815                  |
| Johnston Fruit Co.                           | 4.800                  |
| North Whittier Heights Citrus Association    | .884                   |
| San Fernando Heights Lemon Association       | .743                   |
| San Fernando Lemon Association               | .510                   |
| Sierra Madre-Lamanda Citrus Association      | 1.530                  |
| Tulare County Lemon & Grapefruit Association | .003                   |
| Briggs Lemon Association                     | 3.179                  |
| Culbertson Investment Co.                    | .841                   |
| Culbertson Lemon Association                 | 1.453                  |
| Fillmore Lemon Association                   | 1.645                  |
| Oxnard Citrus Association No. 1              | 3.883                  |
| Oxnard Citrus Association No. 2              | 3.404                  |
| Rancho Sespe                                 | 1.341                  |
| Santa Paula Citrus Fruit Association         | 4.548                  |
| Saticoy Lemon Association                    | 4.392                  |
| Seaboard Lemon Association                   | 4.592                  |
| Somis Lemon Association                      | 3.249                  |
| Ventura Citrus Association                   | 1.741                  |
| Limoneira Co.                                | 2.316                  |
| Teague-McKevett Association                  | .910                   |
| East Whittier Citrus Association             | .564                   |
| Leffingwell Rancho Lemon Association         | .795                   |
| Murphy Ranch Co.                             | 1.437                  |
| Whittier Citrus Association                  | .500                   |
| Whittier Select Citrus Association           | .265                   |

Total C. F. G. E. 87.585

|  |       |
|--|-------|
| Chula Vista Mutual Lemon Association       | .872  |
| Escondido Co-operative Citrus Association  | .271  |
| Highland Mutual Groves                     | .000  |
| Index Mutual Association                   | .290  |
| La Verne Co-operative Citrus Association   | 1.639 |
| Orange Co-operative Citrus Association     | .208  |
| Ventura County Orange & Lemon Association  | 2.807 |
| Whittier Mutual Orange & Lemon Association | .109  |

Total M. O. D. 6.295

|                                      |       |
|--------------------------------------|-------|
| California Citrus Groves, Inc., Ltd. | .000  |
| Evans Brothers Packing Co.           | .000  |
| Flint, Arthur E.                     | .000  |
| Furr, N. C.                          | .000  |
| Harding & Leggett                    | .017  |
| Isely, W. J.                         | .000  |
| Johnson, Fred                        | .011  |
| Levinson, Sam                        | .000  |
| Lorbeer, Carroll, W. C.              | .000  |
| Manos, Gus & William                 | .000  |
| Orange Belt Fruit Distributors       | 1.009 |
| Rooke, B. G., Packing Co.            | .000  |
| San Antonio Orchard Co.              | .008  |
| Segal, Joseph                        | .000  |
| Torn Ranch                           | .000  |
| Walshe, Jack M.                      | .000  |
| Zaninovich Brothers, Inc.            | .000  |

Total Independents 1.131

[F. R. Doc. 48-6044; Filed, July 2, 1948;  
9:33 a. m.]

[Lemon Reg. 280, Amdt. 1]

#### PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

##### LIMITATION OF SHIPMENTS

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and

Order No. 53, as amended (7 CFR, Cum. Supp., 953.1 et seq., 13 F. R. 766) regulating the handling of lemons grown in the State of California or in the State of Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended, and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of the quantity of such lemons which may be handled, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that compliance with the preliminary notice and public rule-making procedure requirements and the 30-day effective date requirement of the Administrative Procedure Act (60 Stat. 237; 5 U. S. C. 1946 et seq.) is impracticable, unnecessary, and contrary to the public interest in that the time intervening between the date when information upon which this regulation is based became available and the time when this regulation must become effective in order to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937, as amended, is insufficient for such compliance, and a reasonable time is permitted, under the circumstances, for preparation for such effective date.

(b) *Order as amended.* The provisions in subparagraph (b) (1) of § 953.387 (Lemon Regulation 280, 13 F. R. 3515), are hereby amended to read as follows:

(1) The quantity of lemons grown in the State of California or in the State of Arizona which may be handled during the period beginning at 12:01 a. m., P. s. t., June 27, 1948, and ending at 12:01 a. m., P. s. t., July 4, 1948, is hereby fixed as follows:

(i) District 1. 825 carloads.

(ii) District 2: unlimited movement.

(48 Stat. 31, as amended; 7 U. S. C. 601 et seq.)

Done at Washington, D. C., this 1st day of July 1948.

[SEAL] S. R. SMITH,  
Director Fruit and Vegetable  
Branch, Production and Mar-  
keting Administration.

[F. R. Doc. 48-6045; Filed, July 2, 1948;  
9:33 a. m.]

[Orange Reg. 237]

PART 966—ORANGES GROWN IN CALIFORNIA  
AND ARIZONA

#### LIMITATION OF SHIPMENTS

§ 966.383 *Orange Regulation 237—(a) Findings.* (1) Pursuant to the provisions of Order No. 66 (7 CFR, Cum. Supp., 966.1 et seq.) regulating the handling of oranges grown in the State of California or in the State of Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended, and upon the basis of the recommendation and information submitted by the Orange Admin-

istrative Committee, established under the said order, and upon other available information, it is hereby found that the limitation of the quantity of such oranges which may be handled, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that compliance with the preliminary notice and public rule-making procedure requirements and the 30-day effective date requirement of the Administrative Procedure Act (60 Stat. 237; 5 U. S. C. 1001 et seq.) is impracticable, unnecessary, and contrary to the public interest in that the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937, as amended, is insufficient for such compliance, and a reasonable time is permitted, under the circumstances, for preparation for such effective date.

(b) *Order.* (1) The quantity of oranges grown in the State of California or in the State of Arizona which may be handled during the period beginning at 12:01 a. m., P. s. t., July 4, 1948, and ending at 12:01 a. m., P. s. t., July 11, 1948, is hereby fixed as follows:

(i) *Valencia oranges.* (a) Prorate District No. 1, unlimited movement; (b) Prorate District No. 2, 1300 carloads; (c) Prorate District No. 3, unlimited movement.

(ii) *Oranges other than Valencia oranges.* Prorate Districts Nos. 1, 2, and 3, no movement.

(2) The prorate base of each handler who has made application therefor, as provided in the said order, is hereby fixed in accordance with the prorate base schedule which is attached hereto and made a part hereof by this reference.

(3) As used herein, "handled," "handler," "carloads," and "prorate base" shall have the same meaning as is given to each such term in the said order; and "Prorate District No. 1," "Prorate District No. 2," and "Prorate District No. 3" shall have the same meaning as is given to each such term in § 966.107 of the rules and regulations (11 F. R. 10258) issued pursuant to said order. (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.)

Done at Washington, D. C., this 1st day of July 1948.

[SEAL] S. R. SMITH,  
Director Fruit and Vegetable  
Branch, Production and Mar-  
keting Administration.

#### PRORATE BASE SCHEDULE

(Orange Regulation Period No. 237)

[12:01 a. m. July 4, 1948, to 12:01 a. m.  
July 11, 1948]

#### VALENCIA ORANGES

##### Prorate District No. 2

| Handler            | Prorate base (percent) |
|--------------------|------------------------|
| Total              | 100.0000               |
| A. F. G. Alta Loma | .0765                  |
| A. F. G. Corona    | .1189                  |
| A. F. G. Fullerton | .7352                  |

#### PRORATE BASE SCHEDULE—Continued

##### VALENCIA ORANGES—continued

##### Prorate District No. 2—Continued

| Handler  | Prorate base (percent) |
|--|------------------------|
| A. F. G. Orange                                | 0.4750                 |
| A. F. G. Riverside                             | .1131                  |
| A. F. G. San Juan Capistrano                   | .6332                  |
| A. F. G. Santa Paula                           | .5679                  |
| Hazeltine Packing Co.                          | .4997                  |
| Placentia Pioneer Valencia Growers Association | .6354                  |
| Signal Fruit Association                       | .1339                  |
| Azusa Citrus Association                       | .3782                  |
| Corina Valley Orange Co.                       | .0223                  |
| Damrel-Alison Co.                              | .8325                  |
| Glendora Mutual Orange Association             | .2953                  |
| Irwindale Citrus Association                   | .3105                  |
| Puente Mutual Citrus Association               | .2150                  |
| Valencia Heights Orchard Association           | .4563                  |
| Corina Citrus Association                      | 1.1633                 |
| Corina Orange Growers Association              | .6533                  |
| Glendora Citrus Association                    | .3774                  |
| Glendora Heights Orange and Lemon Association  | .0599                  |
| Gold Buckle Association                        | .5342                  |
| La Verne Orange Association                    | .6327                  |
| Anaheim Citrus Fruit Association               | 1.2024                 |
| Anaheim Valencia Orange Association            | 1.0073                 |
| Eadington Fruit Co., Inc.                      | 2.5972                 |
| Fullerton Mutual Orange Association            | 1.2503                 |
| La Habra Citrus Association                    | 1.1139                 |
| Orange County Valencia Association             | .8723                  |
| Orangethorpe Citrus Association                | .8218                  |
| Placentia Cooperative Orange Association       | .7544                  |
| Yorba Linda Citrus Association, The            | .6357                  |
| Citrus Fruit Growers                           | .1457                  |
| Cucamonga Citrus Association                   | .2397                  |
| Etiwanda Citrus Fruit Association              | .0377                  |
| Mountain View Fruit Association                | .0191                  |
| Old Baldy Citrus Association                   | .1331                  |
| Rialto Heights Orange Growers                  | .0593                  |
| Upland Citrus Association                      | .3753                  |
| Upland Heights Orange Association              | .1534                  |
| Consolidated Orange Growers                    | 1.9297                 |
| Frances Citrus Association                     | 1.2503                 |
| Garden Grove Citrus Association                | 1.3931                 |
| Goldenwest Citrus Association, The             | 1.5639                 |
| Irvine Valencia Growers                        | 2.7308                 |
| Olive Heights Citrus Association               | 1.6363                 |
| Santa Ana-Tustin Mutual Citrus Association     | 1.0593                 |
| Santiago Orange Growers Association            | 4.2533                 |
| Tustin Hills Citrus Association                | 2.1457                 |
| Villa Park Orchards Association, The           | 1.6335                 |
| Bradford Brothers, Inc.                        | .7183                  |
| Placentia Mutual Orange Association            | 1.6045                 |
| Placentia Orange Growers Association           | 1.8244                 |
| Yorba Orange Growers Association               | .5362                  |
| Call Ranch                                     | .0753                  |
| Corona Citrus Association                      | .5783                  |
| Jamecon Company                                | .0437                  |
| Orange Heights Orange Association              | .3836                  |
| Crafton Orange Growers Association             | .4232                  |
| E. Highlands Citrus Association                | .0316                  |
| Fontana Citrus Association                     | .1233                  |
| Highland Fruit Growers Association             | .0473                  |
| Redlands Heights Groves                        | .3173                  |
| Redlands Orangedale Association                | .3377                  |
| Break & Sons, Allen                            | .0333                  |
| Bryn Mawr Fruit Growers Association            | .2629                  |
| Edinard Packing Company                        | .3533                  |
| Mission Citrus Association                     | .1736                  |
| Redlands Coop. Fruit Association               | .3711                  |

## RULES AND REGULATIONS

## PRORATE BASE SCHEDULE—Continued

## VALENCIA ORANGES—continued

## Prorate District No. 2—Continued

| Handler                                      | Prorate base (percent) |
|--|------------------------|
| Redlands Orange Growers Association          | 0.2568                 |
| Redlands Select Groves                       | .3108                  |
| Rialto Citrus Association                    | .1610                  |
| Rialto Orange Company                        | .1599                  |
| Southern Citrus Association                  | .1537                  |
| United Citrus Growers                        | .1586                  |
| Zillen Citrus Company                        | .0674                  |
| Arlington Heights Citrus Co.                 | .1135                  |
| Brown Estate, L. V. W.                       | .1290                  |
| Gavilan Citrus Association                   | .1531                  |
| Hemet Mutual Groves                          | .0674                  |
| Highgrove Fruit Association                  | .0648                  |
| McDermont Fruit Association                  | .1726                  |
| Monte Vista Citrus Association               | .1939                  |
| National Orange Co.                          | .0361                  |
| Riverside Heights Orange Growers Association | .0629                  |
| Sierra Vista Packing Association             | .0610                  |
| Victoria Avenue Citrus Association           | .1966                  |
| Claremont Citrus Association                 | .1796                  |
| College Heights Orange and Lemon Association | .2824                  |
| El Camino Citrus Association                 | .0965                  |
| Indian Hill Citrus Association               | .2028                  |
| Pomona Fruit Growers Exchange                | .4210                  |
| Walnut Fruit Growers Association             | .5771                  |
| West Ontario Citrus Association              | .4201                  |
| El Cajon Valley Citrus Association           | .2981                  |
| Escondido Orange Association                 | 2.6379                 |
| San Dimas Orange Growers Association         | .5105                  |
| Andrews Brothers of California               | .3411                  |
| Ball & Tweedy Association                    | .5437                  |
| Canoga Citrus Association                    | 1.0837                 |
| N. Whittier Heights Citrus Association       | .9807                  |
| San Fernando Fruit Growers Association       | .6877                  |
| San Fernando Heights Orange Association      | 1.0930                 |
| Sierra Madre-Lamanda Citrus Association      | .4946                  |
| Camarillo Citrus Association                 | 1.6713                 |
| Fillmore Citrus Association                  | 3.8387                 |
| Mupu Citrus Association                      | 3.1678                 |
| Ojai Orange Association                      | 1.0670                 |
| Piru Citrus Association                      | 2.1212                 |
| Santa Paula Orange Association               | 1.2042                 |
| Tapo Citrus Association                      | 1.1767                 |
| Ventura County Citrus Association            | .0342                  |
| Limonera Co.                                 | .6925                  |
| East Whittier Citrus Association             | .3952                  |
| El Ranchito Citrus Association               | 1.0784                 |
| Murphy Ranch Co.                             | .4737                  |
| Rivera Citrus Association                    | .4132                  |
| Whittier Citrus Association                  | .6998                  |
| Whittier Select Citrus Association           | .4259                  |
| Anaheim Coop. Orange Association             | 1.1289                 |
| Bryn Mawr Mutual Orange Association          | .1159                  |
| Chula Vista Mutual Orange Association        | .1312                  |
| Escondido Coop. Citrus Association           | .4185                  |
| Euclid Avenue Orange Association             | .5002                  |
| Foothill Citrus Union, Inc.                  | .0356                  |
| Fullerton Coop. Orange Association           | .4151                  |
| Garden Grove Orange Coop., Inc.              | .6849                  |
| Golden Orange Groves, Inc.                   | .2054                  |
| Highland Mutual Groves                       | .0326                  |
| Index Mutual Association                     | .2311                  |
| La Verne Coop. Citrus Association            | 1.3373                 |
| Mentone Heights Association                  | .0763                  |
| Olive Hillside Groves                        | .5527                  |
| Orange Coop. Citrus Association              | .9342                  |
| Redlands Foothill Groves                     | .6122                  |
| Redlands Mutual Orange Association           | .1359                  |
| Riverside Citrus Association                 | .0588                  |
| Ventura County Orange & Lemon Association    | .9562                  |
| Whittier Mutual Orange & Lemon Association   | .1322                  |
| Babijuce Corp. of California                 | .8027                  |

## PRORATE BASE SCHEDULE—Continued

## VALENCIA ORANGES—continued

## Prorate District No. 2—Continued

|                                    |        |
|------------------------------------|--------|
| Banks Fruit Co.                    | 0.2261 |
| Banks, L. M.                       | .4020  |
| Borden Fruit Co.                   | .6842  |
| California Associated Growers      | .1951  |
| California Fruit Distributors      | .0817  |
| Cherokee Citrus Co., Inc.          | .1385  |
| Chess Co., Meyer W.                | .2899  |
| Escondido Avocado Growers          | .0204  |
| Evans Brothers Packing Co.         | .1405  |
| Gold Banner Association            | .2895  |
| Granada Hills Packing Co.          | .0399  |
| Granada Packing House              | 1.7935 |
| Hill, Fred A.                      | .0687  |
| Inland Fruit Dealers               | .0830  |
| Orange Belt Fruit Distributors     | 1.8669 |
| Panno Fruit Co., Carlo             | .0658  |
| Paramount Citrus Association, Inc. | .6155  |
| Placencia Orchard Co.              | .4964  |
| San Antonio Orchard Co.            | .3566  |
| Snyder & Sons Co., W. A.           | .4133  |
| Stephens, T. F.                    | .2294  |
| Torn Ranch                         | .0038  |
| Wall, E. T.                        | .1303  |
| Webb Packing Co.                   | .0741  |
| Western Fruit Growers, Inc., Reds. | .7080  |

[F. R. Doc. 48-6046; Filed, July 2, 1948; 9:34 a. m.]

## [Elberta Peach Order 1]

## PART 936—FRESH BARTLETT PEARS, PLUMS, AND ELBERTA PEACHES GROWN IN CALIFORNIA

## REGULATION BY GRADES AND SIZES

§ 936.338 *Elberta Peach Order 1*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 36, as amended (7 CFR, Cum. Supp., 936.1 et seq.) regulating the handling of fresh Bartlett pears, plums, and Elberta peaches grown in the State of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended, and upon the basis of the recommendations of the Elberta Peach Commodity Committee, established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of Elberta peaches, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that compliance with the preliminary notice and public rule-making procedure requirements and the 30-day effective date requirement of the Administrative Procedure Act (60 Stat. 237; 5 U. S. C. 1001 et seq.) is impracticable and contrary to the public interest in that the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937, as amended, is insufficient for such compliance, and a reasonable time is permitted, under the circumstances, for preparation for such effective date.

(b) *Order.* (1) During the period beginning at 12:01 a. m., California d. s. t., July 4, 1948, and ending at 12:01 a. m., California d. s. t., September 1, 1948, no shipper shall ship:

(i) Any package or container of Elberta peaches containing peaches which

do not meet the requirements of U. S. No. 1 grade, as specified for such grade in the United States Standards for Peaches (12 F. R. 3798) *Provided*, That (a) with respect to ripe Elberta peaches of the size known commercially as size 80, and of larger sizes, such peaches may be shipped if they are free from serious damage by bruises and if said peaches otherwise meet the requirements of the aforesaid grade; and (b) with respect to Elberta peaches of the size known commercially as size 55, and of larger sizes, such peaches may be shipped if they meet the requirements of the aforesaid grade with a tolerance of five (5) percent for defects not considered "serious damage" in addition to the usual tolerances provided in said United States Standards; and the aforesaid sizes known commercially as size 55 and size 80 are defined more specifically in subparagraphs (2) and (3), respectively, of this paragraph; or

(ii) Any package or container of Elberta peaches containing peaches of a size smaller than the aforesaid size 80 that will pack a standard fruit box numbered 15, 16, 17, 18, or 18A, as specified in section 828.25 of the Agricultural Code of California, packed in accordance with the specifications of a standard pack, as specified in the aforesaid United States Standards, except that ripe Elberta peaches shall be packed fairly tightly in said boxes rather than tightly packed as provided in the aforesaid United States Standards.

(2) As used in this section, the size of Elberta peaches known commercially as size 55 is defined more specifically as being the size that will pack a standard fruit box numbered 15, 16, 17, 18, or 18A, as defined in section 828.25 of the Agricultural Code of California, with two tiers of two rows of five peaches each, and three rows of six peaches each per tier, packed in accordance with the specifications of a standard pack, as specified in said United States Standards, and with no peach small enough to pass through, without using pressure, a rigid ring of inside diameter of 2 3/4 inches.

(3) As used in this section, the size of Elberta peaches known commercially as size 80 is defined more specifically as being the size that will pack a standard fruit box numbered 15, 16, 17, 18, or 18A, as defined in section 828.25 of the Agricultural Code of California, with two tiers of six rows each per tier and seven peaches in each row packed in accordance with the specifications of a standard pack, as specified in said United States Standards, and with no peach small enough to pass through, without using pressure, a rigid ring of inside diameter of 2 3/4 inches.

(4) Each shipper, prior to making each shipment of Elberta peaches, shall, during the period set forth in subparagraph (1) of this paragraph, have the peaches included in each such shipment inspected by a duly authorized representative of the Federal-State Inspection Service, heretofore designated by the Elberta Peach Commodity Committee and hereby approved; and each such shipper shall submit promptly, or cause to be submitted promptly, to the Elberta Peach Commodity Committee, Federal-State ship-



ping point inspection certificates stating the grades and sizes of the Elberta peaches contained in each such lot or shipment: *Provided*, That, in case the following conditions exist in connection with any such shipment:

(i) A written request for inspection is made to the Federal-State Inspection Service not later than 5:00 p. m. of the day before the fruit will be available for inspection;

(ii) The shipper designates in such request the date and hours when the fruit will be available for inspection; and

(iii) The Federal-State Inspection Service furnishes the shipper with a signed statement that it is not practicable, under such conditions, for the Federal-State Inspection Service to make the inspection within the necessary time; the shipper, by submitting or causing to be submitted such signed statement to the Elberta Peach Commodity Committee, may make the particular shipment without such inspection, but such shipper shall still be held responsible for conforming with all grade and size regulations applicable to such shipment.

(5) As used in this section, the terms "shipper," "ship," and "shipment" shall have the same meaning as when used in the amended marketing agreement and order, and the terms "serious damage" and "tightly packed" shall have the same meaning as set forth in the aforesaid United States Standards.

(48 Stat. 31, as amended; 7 U. S. C. 601 et seq., 7 CFR, Cum. Supp., 936.1 et seq.)

Done at Washington, D. C., this 2nd day of July 1948.

[SEAL] S. R. SMITH,  
Director Fruit and Vegetable  
Branch, Production and Mar-  
keting Administration.

[F. R. Doc. 48-6060; Filed, July 2, 1948;  
11:34 a. m.]

## TITLE 16—COMMERCIAL PRACTICES

### Chapter I—Federal Trade Commission [Docket No. 5440]

#### PART 3—DIGEST OF CEASE AND DESIST ORDERS

##### HILLMAN PERIODICALS, INC. ET AL.

§ 3.6 (d 5) *Advertising falsely or misleadingly*—Content: § 3.66 (a 9) *Misbranding or mislabeling*—Content: § 3.69 (b) *Misrepresenting oneself and goods*—Goods—Content: § 3.71 (a 7) *Neglecting, unfairly or deceptively, to make material disclosure*—Content: § 3.71 (a 8) *Neglecting, unfairly or deceptively, to make material disclosure*—Identity: § 3.71 (c) *Neglecting, unfairly or deceptively, to make material disclosure*—Old, used, re-claimed or reused as unused or new: § 3.96 (a) *Using misleading name*—Goods—Identity: § 3.96 (a) *Using misleading name*—Goods—Old, secondhand, reconstructed or reused as new. In connection with the offering for sale, sale, and distribution of books or other publications in commerce, (1) representing, directly or indirectly, in advertising or in any other manner that any reprints from which substantial portions of the

text have been deleted are unabridged or complete reprints of the original books; (2) using the terms "unabridged" or "complete and unabridged" or any other term of similar import or meaning to designate or describe reprints of books or other publications from which substantial portions of the text have been deleted; (3) using the term "full length novel" or any other term of similar import or meaning to designate or describe any reprint of a novel or other publication from which substantial portions of the text have been deleted; (4) offering for sale or selling any abridged copy of a book or publication unless the word "abridged" appears on the front cover and on the title page of the book in immediate connection with the title and in clear, conspicuous type, and subject to the further provision that if the book has an additional wrapper or cover bearing the title thereof, then the front page of such wrapper shall, in like manner, bear the conspicuously displayed word "abridged"; (5) disseminating any advertisement pertaining to abridged copies of reprints of books unless such advertisement clearly and definitely indicates that such reprints are abridged and unless the title of each and every reprint so advertised be immediately accompanied in equally conspicuous type by the word "abridged"; or (6) using or substituting a new title for, or in place of, the original title of a reprinted story unless, wherever used, whether on the cover of the publication, on the title page, at the beginning of the story, or elsewhere, such substitute title be immediately accompanied, in equally conspicuous type, by the title under which such story was originally published; prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U. S. C., sec. 45b) [Cease and desist order, Hillman Periodicals, Inc. et al., Docket 5440, April 13, 1943]

At a regular session of the Federal Trade Commission, held at its office in the city of Washington, D. C., on the 13th day of April A. D. 1948.

*In the Matter of Hillman Periodicals, Inc., a Corporation; Alex L. Hillman, Phil Keenan, and Morris B. Levine, Individually and as Officers of Hillman Periodicals, Inc., a Corporation; Novel Selections, Inc., a Corporation*

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, answer of the respondents, testimony and other evidence in support of the complaint and in opposition thereto taken before a trial examiner of the Commission theretofore duly designated by it, recommended decision of the trial examiner and exceptions filed thereto by the respondents, brief filed in support of the complaint, and oral argument of counsel; and the Commission having made its findings as to the facts and its conclusion that the respondents have violated the provisions of the Federal Trade Commission Act:

*It is ordered*, That the respondents Hillman Periodicals, Inc., a corporation, and Novel Selections, Inc., a corporation, and their respective officers, representatives, agents, and employees, and respondents Alex L. Hillman, Phil Keenan,

and Morris B. Levine, individually and as officers of Hillman Periodicals, Inc., and their respective representatives, agents, and employees, directly or through any corporate or other device in connection with the offering for sale, sale, and distribution of books or other publications in commerce as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, directly or indirectly, in advertising or in any other manner that any reprints from which substantial portions of the text have been deleted are unabridged or complete reprints of the original books.

2. Using the terms "unabridged" or "complete and unabridged" or any other term of similar import or meaning to designate or describe reprints of books or other publications from which substantial portions of the text have been deleted.

3. Using the term "full length novel" or any other term of similar import or meaning to designate or describe any reprint of a novel or other publication from which substantial portions of the text have been deleted.

4. Offering for sale or selling any abridged copy of a book or publication unless the word "abridged" appears on the front cover and on the title page of the book in immediate connection with the title and in clear, conspicuous type. If the book has an additional wrapper or cover bearing the title thereof, then the front page of such wrapper shall, in like manner, bear the conspicuously displayed word "abridged."

5. Disseminating any advertisement pertaining to abridged copies of reprints of books unless such advertisement clearly and definitely indicates that such reprints are abridged and unless the title of each and every reprint so advertised be immediately accompanied in equally conspicuous type by the word "abridged."

6. Using, or substituting a new title for, or in place of, the original title of a reprinted story unless, wherever used, whether on the cover of the publication, on the title page, at the beginning of the story, or elsewhere, such substitute title be immediately accompanied, in equally conspicuous type, by the title under which such story was originally published.

*It is further ordered*, That the respondents shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which they have complied with this order.

By the Commission.

[SEAL] OTIS B. JOHNSON,  
Secretary.

[F. R. Doc. 48-5973; Filed, July 2, 1948;  
8:43 a. m.]

[Docket No. 5518]

#### PART 3—DIGEST OF CEASE AND DESIST ORDERS

##### BROOKS CLOTHES

§ 3.255 (b) *Concealing or obliterating law required marking*—Wool Product

tags or identification. § 3.66 (a 7) *Misbranding or mislabeling—Composition—Wool Products Labeling Act*: § 3.66 (k) *Misbranding or mislabeling—Source or origin—Maker or seller—Wool Products Labeling Act*: § 3.71 (a) *Neglecting, unfairly or deceptively, to make material disclosure—Composition—Wool Products Labeling Act*: § 3.71 (e 7) *Neglecting, unfairly or deceptively, to make material disclosure—Source or origin—Wool Products Labeling Act*. I. In connection with the introduction into commerce or the sale, transportation or distribution in commerce, of men's coats or any other "wool products" as such products are defined in and subject to the Wool Products Labeling Act of 1939, which contain, purport to contain, or in any way are represented as containing "wool" "reprocessed wool" or "reused wool" as those terms are defined in said act, misbranding said products by failing to affix securely to, or place on, such products a stamp, tag, label, or other means of identification, showing in a clear and conspicuous manner, (a) the percentage of the total fiber weight of such wool product, exclusive of ornamentation not exceeding five percentum of said total fiber weight, of (1) wool; (2) reprocessed wool; (3) reused wool; (4) each fiber other than wool where said percentage by weight of such fiber is five percentum or more; and (5) the aggregate of all other fibers; (b) the maximum percentage of the total weight of such wool products of any nonfibrous loading, filling, or adulterating matter; or (c) the name of the manufacturer of such wool product; or the manufacturer's registered identification number and the name of a seller of such wool product; or the name of one or more persons introducing such wool product into commerce, or engaged in the sale, transportation, or distribution thereof in commerce, as "commerce" is defined in the Federal Trade Commission Act and the Wool Products Labeling Act of 1939; and, II, in connection with the purchase, offering for sale, sale or distribution of men's coats or any other "wool products" as such products are defined in and subject to the Wool Products Labeling Act of 1939, causing or participating in the removal or mutilation of any stamp, tag, label, or other means of identification, affixed to any such "wool product" pursuant to the provisions of the Wool Products Labeling Act of 1939, with intent to violate the provisions of said act, and which stamp, tag, label, or other means of identification purports to contain all or any part of the information required by said act; prohibited, subject to the provision, however, that the foregoing provisions concerning misbranding in prohibitions (a) (b), and (c) shall not be construed to prohibit acts permitted by paragraphs (a) and (b) of section 3 of the Wool Products Labeling Act of 1939; and to the further provision that nothing contained in this order shall be construed as limiting any applicable provisions of said act or the rules and regulations promulgated thereunder. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U. S. C., sec. 45b; 54 Stat. 1128; 15 U. S. C., sec. 68) [Cease and desist order, Brooks Clothes, Docket 5518, April 13; 1948]

At a regular session of the Federal Trade Commission, held at its office in the city of Washington, D. C., on the 13th day of April A. D. 1948.

*In the Matter of Sol H. Ruben and Florrine B. Ruben, Individually, and as Co-partners Trading as Brooks Clothes*

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission and the substitute answer of the respondents, in which answer said respondents admitted all of the material allegations of fact set forth in said complaint and waived all intervening procedure and further hearing as to said facts, and the Commission having made its findings as to the facts and its conclusion that the respondents have violated the provisions of the Federal Trade Commission Act and the Wool Products Labeling Act of 1939:

*It is ordered*, That the respondents, Sol H. Ruben and Florrine B. Ruben, co-partners trading and doing business as Brooks Clothes, or trading under any other name, jointly or severally, and their agents, representatives and employees, directly or through any corporate or other device, in connection with the introduction into commerce or the sale, transportation or distribution in commerce, as "commerce" is defined in the aforesaid acts, of men's coats or any other "wool products" as such products are defined in and subject to the Wool Products Labeling Act of 1939, which contain, purport to contain, or in any way are represented as containing "wool" "reprocessed wool" or "reused wool" as those terms are defined in said act, do forthwith cease and desist from misbranding such products by failing to affix securely to, or place on, such products a stamp, tag, label, or other means of identification, showing in a clear and conspicuous manner:

(a) The percentage of the total fiber weight of such wool product, exclusive of ornamentation not exceeding five percentum of said total fiber weight, of (1) wool; (2) reprocessed wool; (3) reused wool; (4) each fiber other than wool where said percentage by weight of such fiber is five percentum or more; and (5) the aggregate of all other fibers.

(b) The maximum percentage of the total weight of such wool products of any nonfibrous loading, filling, or adulterating matter.

(c) The name of the manufacturer of such wool product; or the manufacturer's registered identification number and the name of a seller of such wool product; or the name of one or more persons introducing such wool product into commerce, or engaged in the sale, transportation, or distribution thereof in commerce, as "commerce" is defined in the Federal Trade Commission Act and the Wool Products Labeling Act of 1939. *Provided*, That the foregoing provisions concerning misbranding shall not be construed to prohibit acts permitted by paragraphs (a) and (b) of section 3 of the Wool Products Labeling Act of 1939; *And provided further* That nothing contained in this order shall be construed as limiting any applicable provisions of said Act or the rules and regulations promulgated thereunder.

*It is further ordered*, That said respondents and their agents, representatives and employees, directly or through any corporate or other device, in connection with the purchase, offering for sale, sale or distribution of men's coats or any other "wool products" as such products are defined in and subject to the Wool Products Labeling Act of 1939, do forthwith cease and desist from causing or participating in the removal or mutilation of any stamp, tag, label, or other means of identification, affixed to any such "wool product" pursuant to the provisions of the Wool Products Labeling Act of 1939, with intent to violate the provisions of said act, and which stamp, tag, label, or other means of identification purports to contain all or any part of the information required by said act.

*It is further ordered*, That the respondents shall within sixty (60) days after service upon them of this order file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

By the Commission.

[SEAL] OTIS B. JOHNSON,  
Secretary.

[F. R. Doc. 48-5955; Filed, July 2, 1948;  
8:45 a. m.]

## TITLE 21—FOOD AND DRUGS

### Chapter I—Food and Drug Administration, Federal Security Agency

#### PART 51—CANNED VEGETABLES: DEFINITIONS AND STANDARDS OF IDENTITY; QUALITY; AND FILL OF CONTAINER

##### CANNED GREEN BEANS AND CANNED WAX BEANS

In the matter of amending the definitions and standards of identity and the standards of quality for canned green beans and canned wax beans:

*Final order* By virtue of the authority vested in the Federal Security Administrator by the provisions of the Federal Food, Drug, and Cosmetic Act (Secs. 401, 701, 52 Stat. 1046, 1055; 21 U. S. C. 341, 371) and upon the basis of substantial evidence received at the hearing duly held pursuant to notice published in the FEDERAL REGISTER on February 14, 1948 (13 F. R. 692) no exceptions having been filed to the tentative order issued by the Acting Federal Security Administrator and published in the FEDERAL REGISTER on May 13, 1948 (13 F. R. 2592 et seq., corrected 13 F. R. 2631), the following order is hereby promulgated:

#### Definitions and Standards of Identity

*Findings of fact.*<sup>1</sup> 1. Paragraph (a) (1) of § 51.10, which establishes a definition and standard of identity for canned green beans, defines the form of bean ingredient known as "Whole" as "Whole pods or transversely cut pods not less than 2¾ inches in length." The exact significance of this subparagraph as applied to the canned product, prepared

<sup>1</sup> The citations following each finding of fact refer to the pages of the transcript of the testimony and the exhibits received in evidence at the hearing.



from whole green beans or wax beans which, after cutting off the stems, are less than  $2\frac{3}{4}$  inches in length, or as applied to whole beans which are broken during blanching or while being packed into the can has not been entirely clear. For the purpose of differentiating between whole beans, packed either without arrangement or vertical style, and the various styles of cut beans, it is unnecessary to establish any numerical tolerance for these short and broken beans. Beans vary in length and a naturally short bean is still regarded as whole although it is less than  $2\frac{3}{4}$  inches long after removal of either or both ends. A change in the wording of § 51.10 (a) (1) which will give the meaning intended will be obtained by substituting for it the following:

(1) Whole pods, including pods which after removal of either or both ends are less than  $2\frac{3}{4}$  inches in length, or transversely cut pods not less than  $2\frac{3}{4}$  inches in length. There may be present such broken pieces of pods as normally occur in the commercial packing of such product. (R. 18, 47, 53-55, 63, 77, 105; Ex. 5)

2. Subparagraphs (3) and (4) of § 51.10 (a) distinguish between transversely cut pods on the basis of the length of the cut pieces. The pieces less than  $\frac{3}{4}$  inch in length are designated in § 51.10 (b) as "Short Cuts," and those between  $\frac{3}{4}$  inch and  $2\frac{3}{4}$  inches as "Cuts." Many canners now wish to pack canned green beans and canned wax beans in the form defined as short cuts. Where the procedure used for obtaining the short cuts is to first cut the beans into pieces 1 inch in length or longer (for canning as cut beans) and to remove the shorter pieces by machine (for packing as short cuts) difficulty has been encountered in completely separating all pieces longer than  $\frac{3}{4}$  inch in length from the short cuts. A differentiation between "Short Cuts" and "Cuts" which reasonably conforms with the consumer understanding of short cuts without making it unreasonably difficult to pack them, will provide for the presence in short cuts of a substantial number of pieces slightly longer than  $\frac{3}{4}$  inch, but will permit only a few much longer pieces, since pieces more than  $1\frac{1}{4}$  inches in length are in such contrast with the pieces around  $\frac{1}{2}$  inch in length that the mixture assumes a very unattractive appearance. There is no need to change the definition of "Cuts." The present wording of § 51.10 (b) (4) should be changed to read:

(4) Pieces of pods of which not less than 75 percent by count are less than  $\frac{3}{4}$  inch in length and not more than 1 percent by count are more than  $1\frac{1}{4}$  inches in length. (R. 201-204; Ex. 16)

3. It was the custom for many years, prior to the promulgation of the present definitions and standards of identity for canned green beans and canned wax beans, for the word "Stringless" to be used as part of the names of such beans. When definitions and standards of identity for these foods were amended, doubt arose as to whether it was permissible to place the term "Stringless" in the name of those canned green beans and canned wax beans which were in fact stringless,

or whether any reference to lack of strings must be placed in subsidiary labeling. Where canned green beans and canned wax beans are in fact stringless, the use of the designation "Stringless" in the name is unobjectionable. The wording of § 51.10 (c) should be changed to read as follows:

(c) Wherever the name "Green Beans" appears on the label so conspicuously as to be easily seen under customary conditions of purchase, the words and statements prescribed by paragraph (b) of this section shall immediately and conspicuously precede or follow such name, without intervening written, printed, or graphic matter, except that there may intervene (1) the designation of the length of cut, (2) the varietal name, which may include the word "Stringless," where the beans are in fact stringless, and (3) the description of the green beans as "Stringless," which may also be used between the words "Green" and "Beans," where the beans are in fact stringless.

The wording of § 51.15 (b) should be changed to read as follows:

(b) Wherever the name "Wax Beans" appears on the label so conspicuously as to be easily seen under the customary conditions of purchase, the words and statements prescribed by paragraph (b) of this section shall immediately and conspicuously precede or follow such name, without intervening written, printed, or graphic matter, except that there may intervene (1) the designation of the length of cut, (2) the varietal name, which may include the word "Stringless," where the beans are in fact stringless, and (3) the description of the wax beans as "Stringless," which may also be used between the words "Wax" and "Beans," where the beans are in fact stringless. (R. 233-4)

**Conclusions.** On the basis of the evidence of record and the foregoing findings of fact, it is concluded that it will promote honesty and fair dealing in the interest of the consumer to amend the definitions and standards of identity for canned green beans and canned wax beans so that after making the recommended changes they read as follows:

§ 51.10 *Canned green beans; identity; label statement of optional ingredients.*

(a) Canned green beans is the food prepared from stemmed, succulent pods of the green-bean plant, and water. It may be seasoned with salt, sugar, or dextrose, or any two or all of these. The pods are prepared in one or more of the following forms:

(1) Whole pods, including pods which after removal of either or both ends are less than  $2\frac{3}{4}$  inches in length, or transversely cut pods not less than  $2\frac{3}{4}$  inches in length. There may be present such broken pieces of pods as normally occur in the commercial packing of such product.

(2) Pods sliced lengthwise.

(3) Pods cut transversely into pieces less than  $2\frac{3}{4}$  inches in length but not less than  $\frac{3}{4}$  inch in length, with or without shorter end pieces resulting therefrom.

(4) Pieces of pods of which not less than 75 percent by count are less than  $\frac{3}{4}$  inch in length and not more than 1 percent by count are more than  $1\frac{1}{4}$  inches in length.

Any such form is an optional ingredient. Mixtures of two or more optional ingredients may be used. The food is sealed in a container and so processed by heat as to prevent spoilage.

(b) (1) When optional ingredient (a) (1) of this section is used the label shall bear the word "Whole." If the pods are packed parallel to the sides of the container the word "Whole" shall be preceded or followed by the words "Vertical Pack," except that when the pods are cut at both ends and are of substantially equal lengths, the words "Asparagus Style" may be used in lieu of the words "Vertical Pack."

(2) When optional ingredient (a) (2) of this section is used the label shall bear the words "Sliced Lengthwise" or "French Style."

(3) When optional ingredient (a) (3) of this section is used the label shall bear the word "Cut" or "Cuts."

(4) When optional ingredient (a) (4) of this section is used the label shall bear the words "Short Cut" or "Short Cuts" or "\_\_\_\_\_ Inch Cut" or "\_\_\_\_\_ Inch Cuts," the blank to be filled in with the fraction of an inch which denotes the approximate length of the pieces.

(5) When a mixture of two or more of the optional ingredients in paragraphs (a) (1) to (a) (4), inclusive, of this section, is used the label shall bear the statement "Mixture of \_\_\_\_\_," the blank to be filled in with the combination of the names "Whole," "Sliced Lengthwise," "Cut," or "Cuts," and "Short Cut" or "Short Cuts," designating the optional ingredients present, and arranged in the order of predominance, if any, by weight of such ingredients.

(c) Wherever the name "Green Beans" appears on the label so conspicuously as to be easily seen under the customary conditions of purchase, the words and statements prescribed by paragraph (b) of this section shall immediately and conspicuously precede or follow such name, without intervening written, printed, or graphic matter, except that there may intervene (1) the designation of the length of cut, (2) the varietal name, which may include the word "Stringless," where the beans are in fact stringless, and (3) the description of the green beans as "Stringless," which may also be used between the words "Green" and "Beans," where the beans are in fact stringless.

§ 51.15 *Canned wax beans; identity; label statement of optional ingredients.*

(a) Canned wax beans conforms to the definition and standard of identity, and is subject to the requirements for label statement of optional ingredients prescribed for canned green beans by § 51.10 (a) and (b) except that it is prepared from stemmed, succulent pods of the wax-bean plant.

(b) Wherever the name "Wax Beans" appears on the label so conspicuously as to be easily seen under the customary conditions of purchase, the words and statements prescribed by paragraph (b)

of this section shall immediately and conspicuously precede or follow such name, without intervening written, printed, or graphic matter, except that there may intervene (1) the designation of the length of cut, (2) the varietal name, which may include the word "Stringless" where the beans are in fact stringless, and (3) the description of the wax beans as "Stringless," which may also be used between the words "Wax" and "Beans," where the beans are in fact stringless.

#### Standards of Quality

*Findings of fact.*<sup>1</sup> 1. The quality standards for canned green beans and canned wax beans prescribe a maximum limit on the number of pieces of such beans less than  $\frac{1}{2}$  inch in length in all optional forms of such beans except the "Short Cuts" and "Sliced Lengthwise." Where cut beans of small sieve size are canned, a larger number of units for a given drained weight of beans result than when the larger sieve sizes are packed. Where the number of units per 12 ounces drained weight exceed 240, the present limit of 60 pieces less than  $\frac{1}{2}$  inch in length is more stringent than necessary. Satisfactory control of impairment of quality by presence of very short pieces will be obtained without unduly penalizing small beans when the following proviso is added to subparagraph (1) of paragraph (a) of § 51.11. "Provided, That where the number of units per 12 ounces drained weight exceed 240, not more than 25 percent by count of the total units are less than  $\frac{1}{2}$  inch long." (R. 248, 249; Ex. 18)

2. The quality of canned green beans and canned wax beans depends, among other things, upon the stage of maturity of such beans before canning. The percentage of seeds in the pods of green beans and wax beans is a measure of the stage of their maturity, but due to variations in the size of the seeds in different varieties no single prescribed percentage of seeds in pods will serve to establish the same degree of maturity in all varieties. The present quality standard, among other things, prescribes 15 percent as the maximum percentage by weight of seeds and pieces of seeds in the trimmed pods in canned green beans and canned wax beans of standard quality (§ 51.11 (a) (2)). Although this limit accomplished its purpose in the case of some varieties of canned green beans and canned wax beans, in other varieties it caused to be classified as substandard canned green beans and canned wax beans of standard quality. Some varieties of green beans and wax beans do not develop fibrous material rapidly, and the only objective method now in use for establishing the stage of their maturity beyond which quality is impaired is the determination of the percentage by weight of seeds in the pods. A requirement that the trimmed pods in canned green beans and canned wax beans contain not more than 25 percent by weight of seeds and pieces of seeds

will establish the stage of maturity beyond which quality is seriously impaired. In those varieties which develop fiber more rapidly than seed the limit on fiber (§ 51.11 (a) (4)) serves to classify canned green beans or canned wax beans of such varieties as of substandard quality before the percentage of seed in trimmed pods reaches 25 percent. (R. 254-258, 286, 317-339, 371, 372, 402, 505-507, 534, 464-466, 478-480; Ex. 19, 20, 22, 24, 25, 26, 28, 36)

3. Evidence of record shows that the requirement of § 51.11 (a) (4) has been a satisfactory limit on that substance in canned green beans and canned wax beans known as fibrous material. The details of the chemical method for determining fibrous material (§ 51.11 (b)) have not been sufficiently clear, and a few changes in its wording are likely to make it easier to apply. The following expanded description should replace § 51.11 (b) (6)

Transfer to the metal cup of a malted-milk stirrer and mash with a pestle. Wash material adhering to the pestle back into cup with 200 cc. of boiling water. Bring mixture nearly to a boil, add 25 cc. of 50 percent (by weight) sodium hydroxide solution and bring to a boil. (If foaming is excessive, 1 cc. of capryl alcohol may be added.) Boil for 5 minutes, then stir for 5 minutes with a malted-milk stirrer capable of a no-load speed of at least 7200 r. p. m. Use a rotor with two scalloped buttons shaped as shown in the diagram in Exhibit 1.

Transfer the material from the cup to a previously weighed 30-mesh monel metal screen having a diameter of about  $3\frac{1}{2}$  to 4 inches and side walls about 1 inch high, and wash fiber on the screen with a stream of water using a pressure not exceeding a head (vertical distance between upper level of water and outlet of glass tube) of 60 inches, delivered through a glass tube 3 inches long and  $\frac{1}{8}$  inch inside diameter inserted into a rubber tube of  $\frac{1}{4}$  inch inside diameter. Wash the pulpy portion of the material through the screen and continue washing until the remaining fibrous material, moistened with phenolphthalein solution, does not show any red color after standing 5 minutes. Again wash to remove phenolphthalein. Dry the screen containing the fibrous material for 2 hours at 100° C., cool, weigh, and deduct weight of screen. Divide the weight of fibrous material by the weight of combined de-seeded pods, trimmings, and strings and multiply by 100 to obtain the percentage of fibrous material. (R. 633-635, 650, 651)

4. The record of hearing contains several expressions of opinion as to the difficulty of describing blemished units and suggestions for improvement, but none of these suggested descriptions appears to have any advantage over that contained in § 51.11 (a) (5) for the purpose of describing a blemished unit which consumers would reject when given an opportunity. (R. 619-625, 630-631, 636, 642-647)

5. The limit on blemished units prescribed by § 51.11 (a) (5) is 12 blemished units per 12 ounces drained weight. This requirement, which limits blemished units on the basis of the number in a

given weight of canned green beans or canned wax beans, is more stringent on cut beans than on whole beans. Rather than establish different limits for different forms of beans as a means of equalizing the limit on blemishes, a limit based on percentage by count of the total number of units in the container will generally be more satisfactory. A reasonable limit is that the percent of blemished units by count is not more than 8 percent. The amended subparagraph § 51.11 (a) (5) should read:

(5) There are not more than 8 percent by count of blemished units. A unit is considered blemished when the aggregate blemished area exceeds the area of a circle  $\frac{1}{8}$  inch in diameter. (R. 610-617, 636-641)

6. The amendments to the standard of quality for canned green beans and canned wax beans, shown to be required by the foregoing findings of fact, make it necessary to revise the wording of the method for determining whether these foods are of substandard quality. The required changes in the method appear in § 51.11 (b) of the regulations which is set forth herein. (R. 633-635, 650, 651)

7. Where canned green beans or canned wax beans is rendered substandard only by the presence of excessive numbers of very short pieces, a more informative supplementary wording in the label statement of substandard quality than that now provided will be obtained by replacing the words "Good Food—Not High Grade" with the words "Excessive Number Very Short Pieces." Where canned green beans or canned wax beans is rendered substandard only by the presence of an excessive number of blemished units a more informative supplementary wording in the label statement of substandard quality than that now provided will be obtained by replacing the words "Good Food—Not High Grade" with the words "Excessive Number of Blemished Units." Where canned green beans or canned wax beans is rendered substandard only by the presence of an excessive number of unstemmed units, a more informative supplementary wording in the label statement of substandard quality will be obtained by replacing the words "Good Food—Not High Grade" with the words "Excessive Number of Unstemmed Units." Where canned green beans or canned wax beans is rendered substandard only by the presence of excessive foreign material, a more informative supplementary wording in the label statement of substandard quality will be obtained by replacing the words "Good Food—Not High Grade" with the words "Excessive Foreign Material." (R. 542-543)

On the basis of the evidence of record and the foregoing findings of fact, it is concluded that it will promote honesty and fair dealing in the interest of the consumer to amend the standards of quality for canned green beans and canned wax beans, so that §§ 51.11 and 51.16, after making the necessary changes, read as follows:

§ 51.11 Canned green beans; quality; label statement of substandard quality. (a) The standard of quality of canned green beans is as follows:

<sup>1</sup> The citations following each finding of fact refer to the pages of the transcript of the testimony and the exhibits received in evidence at the hearing.

When tested by the method prescribed in paragraph (b) of this section:

(1) In the case of cut beans (§ 51.10 (a) (3)) and mixtures of two or more of the optional ingredients specified in § 51.10 (a) (1) to (a) (4) inclusive, not more than 60 units per 12 ounces drained weight are less than  $\frac{1}{2}$  inch long; *Provided*, That where the number of units per 12 ounces drained weight exceed 240, not more than 25 percent by count of the total units are less than  $\frac{1}{2}$  inch long.

(2) The trimmed pods contain not more than 25 percent by weight of seed and pieces of seed.

(3) In case there are present pods or pieces of pods  $\frac{27}{64}$  inch or more in diameter, there are not more than 12 strings per 12 ounces of drained weight which will support  $\frac{1}{2}$  pound for 5 seconds or longer.

(4) The deseeded pods contain not more than 0.15 percent by weight of fibrous material.

(5) There are not more than 8 percent by count of blemished units. A unit is considered blemished when the aggregate blemished area exceeds the area of a circle  $\frac{1}{8}$  inch in diameter.

(6) There are not more than 6 unstemmed units per 12 ounces of drained weight.

(7) The combined weight of loose seed and pieces of seed is not more than 5 percent of the drained weight. This provision does not apply in case the green-bean ingredient is pods sliced lengthwise (§ 51.10 (a) (2)).

(8) The combined weight of leaves, detached stems, and other extraneous vegetable matter is not more than 0.6 ounce per 60 ounces drained weight.

(b) Canned green beans shall be tested by the following method to determine whether they meet the requirements of paragraph (a) of this section.

(1) Distribute the contents of the container over the meshes of a circular sieve which has been previously weighed. The diameter of the sieve is 8 inches if the quantity of the contents of the container is less than 3 pounds, and 12 inches if such quantity is 3 pounds or more. The bottom of the sieve is woven wire cloth which complies with the specifications for such cloth set forth under "2380 Micron (No. 8)" in Table 1 of "Standard Specifications for Sieves," published March 1, 1940, in L. C. 584 of the U. S. Department of Commerce, National Bureau of Standards. Without shifting the material on the sieve, so incline the sieve as to facilitate drainage. Two minutes from the time drainage begins, weigh the sieve and the drained material. Record, in ounces, the weight so found, less the weight of the sieve, as the drained weight.

(2) Pour the drained material from the sieve into a flat tray and spread it in a layer of fairly uniform thickness. Count the total number of units. For the purpose of this count, loose seed, pieces of seed, loose stems, and extraneous material are not to be included. Divide the number of units by the drained weight recorded in subparagraph (1) of this paragraph and multiply by 12 to obtain the number of units per 12 ounces drained weight.

(3) Examine the drained material in the tray, counting and recording the number of blemished units, number of

unstemmed units, and, in case the material consists of the optional ingredient specified in paragraph (a) (3) or a mixture of two or more of the optional ingredients specified in paragraphs (a) (1) to (a) (4) inclusive, of § 51.10, count and record the number of units which are less than  $\frac{1}{2}$  inch long. If the number of units per 12 ounces is 240 or less, divide the number of units which are less than  $\frac{1}{2}$  inch long by the drained weight recorded in subparagraph (1) of this paragraph and multiply by 12 to obtain the number of such units per 12 ounces drained weight. If the number of units per 12 ounces exceed 240, divide the number of units less than  $\frac{1}{2}$  inch long by the total number of units and multiply by 100 to determine the percentage by count of the total units which are less than  $\frac{1}{2}$  inch long.

Divide the number of blemished units by the total number of units in the container and multiply by 100 to obtain the percentage by count of blemished units in the container.

Divide the number of unstemmed units by the drained weight recorded in subparagraph (1) of this paragraph and multiply by 12 to obtain the number of unstemmed units per 12 ounces of drained weight.

(4) Except in the case of pods sliced lengthwise, remove the loose seed and pieces of seed, weigh and record weight and return to tray. Divide the weight of loose seed and pieces of seed by the drained weight recorded in subparagraph (1) of this paragraph and multiply by 100 to obtain the percentage by weight of loose seed and pieces of seed in the drained material.

(5) Remove from the tray the extraneous vegetable material, weigh, record weight, and return to tray.

(6) Remove from the tray one or more representative samples of  $3\frac{1}{2}$  to 4 ounces, covering each sample as taken to prevent evaporation. If the tray includes pods or pieces of pods  $\frac{27}{64}$  inch or more in diameter, weigh and record weight in ounces of each representative sample.

(7) From each representative sample selected in subparagraph (6) of this paragraph discard any loose seed and extraneous vegetable material and detach and discard any attached stems. Except with optional ingredient (a) (2) of § 51.10 (pods sliced lengthwise), trim off, as far as the end of the space formerly occupied by the seed, any portion of pods from which seed have become separated. Remove and discard any portions of seed from the trimmings and reserve the trimmings for subparagraph (9) of this paragraph. Weigh and record the weight of the trimmed pods. Deseed the trimmed pods and reserve the deseeded pods for subparagraph (9) of this paragraph. If the original container contained pods  $\frac{27}{64}$  inch or more in diameter, remove strings from the pods during the deseeding operation. Reserve these strings for testing as prescribed in subparagraph (8) of this paragraph. Collect the seed on a sieve of mesh fine enough to retain them, and so distribute them that any liquid drains away. Weigh the seed, divide by the weight of the trimmed pods, and multiply by 100 to obtain the percentage by weight of seed in the trimmed pods.

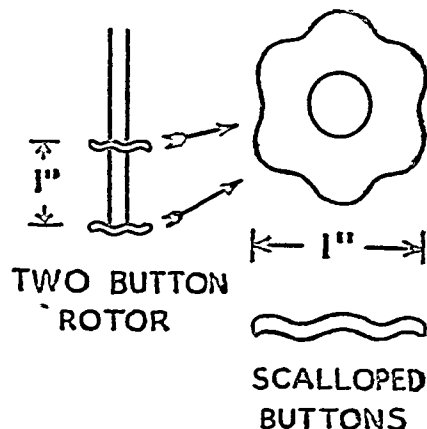
In the case of pods sliced lengthwise remove seed and pieces of seed and reserve the deseeded pods for use as prescribed in subparagraph (9) of this paragraph.

(8) If strings have been removed for testing, as prescribed in subparagraph (7) of this paragraph, test them as follows:

Fasten clamp, weighted to  $\frac{1}{2}$  pound, to one end of the string, grasp the other end with the fingers (a cloth may be used to aid in holding the string) and lift gently. Count the string as tough if it supports the  $\frac{1}{2}$ -pound weight for at least 5 seconds. If the string breaks before 5 seconds, test such parts into which it breaks as are  $\frac{1}{2}$  inch or more in length and if any such part of the string supports the  $\frac{1}{2}$ -pound weight for at least 5 seconds count the string as tough. Divide the number of tough strings by the weight of the sample recorded in subparagraph (6) of this paragraph and multiply by 12 to obtain the number of tough strings per 12 ounces drained weight.

(9) Combine the deseeded pods with the trimmings reserved in subparagraph (7) of this paragraph, and, if strings were tested as prescribed in subparagraph (8) of this paragraph, add such strings, broken or unbroken. Weigh and record weight of combined material. Transfer to the metal cup of a malted-milk stirrer and mash with a pestle. Wash material adhering to the pestle back into cup with 200 cc. of boiling water. Bring mixture nearly to a boil, add 25 cc. of 50 percent (by weight) sodium hydroxide solution and bring to a boil. (If foaming is excessive, 1 cc. of capryl alcohol may be added.) Boil for 5 minutes, then stir for 5 minutes with a malted-milk stirrer capable of a no-load speed of at least 7200 r. p. m. Use a rotor with two scalloped buttons shaped as shown in the diagram in Exhibit 1.

EXHIBIT 1

TWO BUTTON  
ROTORSCALLOPED  
BUTTONS

Transfer the material from the cup to a previously weighed 30-mesh monel metal screen having a diameter of about  $3\frac{1}{2}$  to 4 inches and side walls about 1 inch high, and wash fiber on the screen with a stream of water using a pressure not exceeding a head (vertical distance between upper level of water and outlet of glass tube) of 60 inches, delivered through a glass tube 3 inches long and  $\frac{1}{8}$  inch inside diameter inserted into a rubber tube of  $\frac{1}{4}$  inch inside diameter. Wash the pulpy portion of the material through the screen and continue wash-

## RULES AND REGULATIONS

ing until the remaining fibrous material, moistened with phenolphthalein solution, does not show any red color after standing 5 minutes. Again wash to remove phenolphthalein. Dry the screen containing the fibrous material for 2 hours at 100° C., cool, weigh, and deduct weight of screen. Divide the weight of fibrous material by the weight of combined deseeded pods, trimmings, and strings and multiply by 100 to obtain the percentage of fibrous material.

(10) If the drained weight recorded in subparagraph (1) of this paragraph was less than 60 ounces, open and examine separately for extraneous material, as directed in subparagraph (5) of this paragraph, additional containers until a total of not less than 60 ounces of drained material is obtained. To determine the combined weight of extraneous vegetable material per 60 ounces of drained weight, total the weights of extraneous vegetable material found in all containers opened, divide this sum by the sum of the drained weights in these containers and multiply by 60.

(c) If the quality of the canned green beans falls below the standard of quality prescribed by paragraph (a) of this section, the label shall bear the general statement of substandard quality specified in § 10.2 (a) of this chapter (21 CFR, Cum. Supp. 10.2 (a)) in the manner and form therein specified, but in lieu of the words prescribed for the second line inside the rectangle the following words may be used, when the quality of canned green beans falls below the standard in one only of the following respects:

(1) "Excessive Number Very Short Pieces," if the canned green beans fail to meet the requirements of § 51.11 (a) (1)

(2) "Excessive Number Blemished Units," if they fail to meet the requirements of § 51.11 (a) (5)

(3) "Excessive Number Unstemmed Units," if they fail to meet the requirements of § 51.11 (a) (6)

(4) "Excessive Foreign Material," if they fail to meet the requirement of § 51.11 (a) (8)

§ 51.16 *Canned wax beans; quality; label statement of substandard quality.* (a) The standard of quality for canned wax beans is that prescribed for canned green beans by § 51.11 (a) and (b)

(b) If the quality of canned wax beans falls below the standard of quality prescribed by paragraph (a) of this section the label shall bear the statement of substandard quality in the manner and form specified in § 51.11 (c) for canned green beans.

*Effective date.* The amendments hereby promulgated shall become effective on the ninetieth day following the publication of this order in the FEDERAL REGISTER.

(Secs. 401, 701, 52 Stat. 1046, 1055; 21 U. S. C. 341, 371)

Dated: June 30, 1948.

[SEAL]

OSCAR R. EWING,  
Administrator

[F. R. Doc. 48-5977; Filed, July 2, 1948; 8:51 a. m.]

## Chapter II—Bureau of Narcotics, Department of the Treasury

### FINDING WITH REGARD TO DRUG ISOAMIDONE

CROSS REFERENCE: For order proclaiming and making effective the finding of the Secretary of the Treasury with regard to the drug isoamidone having addiction-forming and addiction-sustaining liability similar to morphine, see Proclamation 2793, *supra*.

## TITLE 22—FOREIGN RELATIONS

### Chapter III—Economic Cooperation Administration

[ECA Reg. 2]

#### PART 1113—PARCEL POST SHIPMENTS OF INDIVIDUAL RELIEF PACKAGES

*Preamble.* The provisions of this part have been approved by the Postmaster General.

Sec.

1113.1 Scope of part.

1113.2 Definition of relief package.

1113.3 Manner of payment of ocean freight charges.

1113.4 Limitations of contents of relief packages.

1113.5 Weight and size limitations.

1113.6 Identification.

1113.7 Postal regulations.

1113.8 Import regulations.

1113.9 Saving clause.

AUTHORITY: §§ 1113.1 to 1113.9, inclusive, issued under section 117 (c), Public Law 472, 80th Congress.

§ 1113.1 *Scope of part.* This part provides the rules under which the Administrator for Economic Cooperation will pay ocean freight charges from a United States port to certain foreign ports of entry on relief packages originating in the United States (including its territories and insular possessions) and consigned by an individual by parcel post to an individual residing in Austria, Belgium, China, France, the United Kingdom, Greece, Italy, Luxembourg, the Netherlands, or the zones of Germany and Trieste under occupation by the United States, the United Kingdom, or France.

§ 1113.2 *Definition of relief package.* A "relief package" is defined as a gift parcel, containing articles permitted by § 1113.4, to be sent by an individual free of cost to the person receiving it for the personal use of himself or his immediate family.

§ 1113.3 *Manner of payment of ocean freight charges.* The Economic Cooperation Administration will reimburse the Post Office Department for the ocean freight charges on relief packages sent by parcel post by an individual on or after July 6, 1948, to an individual in any of the countries listed above, to the extent that the international parcel post rate paid by the sender has been reduced pursuant to regulations of the Post Office Department.

§ 1113.4 *Limitations of contents of relief packages.* (a) The items which may be included in relief packages are limited to nonperishable food; clothing and

clothes-making materials; shoes and shoe-making materials; mailable medical and health supplies; and household supplies and utensils; if permitted under existing postal regulations.

(b) The combined total domestic retail value of all soap, butter, and other edible fats and oils included in each relief package must not exceed \$5.00; and the combined total domestic retail value of all streptomycin, quinine sulfate, and quinine hydrochloride included in each relief package must not exceed \$5.00.

§ 1113.5 *Weight and size limitations.* The maximum weight and dimensions of each relief package sent by parcel post must conform to the limitations established by the Post Office Department for the particular country of destination.

§ 1113.6 *Identification.* When a relief package is presented for mailing under these regulations, the words "U. S. A. Gift Parcel" shall be endorsed on the addressee side of the package and also entered on the customs declaration. The use of the words "U. S. A. Gift Parcel" is a certification by the individual mailing the relief package that the provisions of this part have been met.

§ 1113.7 *Postal regulations.* Information concerning the Post Office regulations should be obtained from the local offices of the Post Office Department with respect to size and weight limitations, customs declaration (Form 2966), dispatch note (Form 2972), and the postage rate applicable for such shipments.

§ 1113.8 *Import regulations.* Senders of relief packages are reminded that each receiving country has import and customs regulations and that certain items may be subject to import restrictions or duties. Information regarding such regulations may be ascertained either from the proposed recipient, from the Office of International Trade, Department of Commerce, Washington, D. C., or any of the district offices of the Department of Commerce.

§ 1113.9 *Saving clause.* The Administrator for Economic Cooperation may waive, withdraw, or amend at any time or from time to time any or all of the provisions of this part.

These regulations are effective as of July 6, 1948.

PAUL G. HOFFMAN,  
Administrator for  
Economic Cooperation.

[F. R. Doc. 48-5996; Filed, July 2, 1948; 8:53 a. m.]

## TITLE 26—INTERNAL REVENUE

### Chapter I—Bureau of Internal Revenue, Department of the Treasury

#### Subchapter C—Miscellaneous Excise Taxes

[T. D. 5641]

#### PART 180—LIQUORS AND ARTICLES FROM PUERTO RICO AND VIRGIN ISLANDS

##### REPORTING OF TRANSACTIONS IN WAREHOUSE RECEIPTS

1. On November 1, 1947 a notice of proposed rule making regarding liquors

and articles from Puerto Rico and the Virgin Islands was published in the *FEDERAL REGISTER* (12 F. R. 7117)

2. After consideration of such relevant matter as was presented by interested persons, the following added §§ 180.12a, 180.12b, 180.89a, 180.89b, 180.103a, 180.103b, 180.141a, and 180.141b of Regulations 24, approved June 16, 1941 (26 CFR, Part 180) are hereby adopted.

3. These amendments are designed to provide rules for the reporting of transactions in warehouse receipts.

**PRODUCTS COMING INTO THE UNITED STATES  
FROM PUERTO RICO**

**GENERAL**

*Special (Occupational) Taxes*

§ 180.12a *Liquor dealers' special taxes.* Every person bringing liquors into the United States from Puerto Rico, who sells, or offers for sale, such liquors must file Form 11, "Special Tax Return," with the Collector of Internal Revenue, and pay special (occupational) taxes as wholesale dealer in liquor or retail dealer in liquor, or both, in accordance with the law and regulations governing the payment of such special taxes (26 CFR, Part 194) (Secs. 3176, 3250 (a), (b) 3254 (b) (c) 3270, 3271, 3272, 3360, I. R. C.)

§ 180.12b *Warehouse receipts covering distilled spirits.* Since the sale of warehouse receipts for distilled spirits is equivalent to the sale of distilled spirits, every person bringing distilled spirits into the United States from Puerto Rico, who sells, or offers for sale, warehouse receipts for distilled spirits stored in warehouses, or elsewhere, incurs liability to special tax as a dealer in liquors at the place where such warehouse receipts are sold, or offered for sale, and must file return and pay occupational tax as provided in § 180.12a. (Secs. 3176, 3250 (a), 3254, 3270, 3271, 3272, 3360, I. R. C.)

**RECORDS AND REPORTS**

§ 180.89a *Record of warehouse receipts.* Every person bringing distilled spirits into the United States from Puerto Rico, who sells, or offers for sale, distilled spirits by warehouse receipts shall keep a separate record, and render a monthly transcript, of all purchases and sales of warehouse receipts, on Form 52-F, "Wholesale Liquor Dealer's Monthly Record and Report of Purchases and Sales of Warehouse Receipts for Distilled Spirits." There need not be entered on Form 52-F transactions in warehouse receipts not involving the purchase or sale of distilled spirits, such as the receipt from a warehouseman of warehouse receipts covering the deposit or bottling of spirits in his warehouse or the surrender of warehouse receipts for the bottling of the spirits in bond or their transfer in bond to another warehouse. Entries on Form 52-F shall be made as indicated by the headings of the columns and lines of the form and in accordance with the instructions printed thereon or issued in respect thereto, and as required by the regulations in this part. The provisions of § 180.90 with respect to the time of making entries, and of § 180.93 with respect to forms to be provided by users, are hereby made applicable to Form 52-F

The provisions of § 180.91 with respect to a separate record of serial numbers of cases are hereby made applicable to Form 52-F with respect to serial numbers of packages and cases purchased or sold by warehouse receipts. The monthly transcript on Form 52-F shall be forwarded to the district supervisor on or before the tenth day of the succeeding month. The arrival of distilled spirits in customs custody, and the disposition of such distilled spirits from customs custody at the time of their sale or withdrawal therefrom, shall continue to be reported on Form 52-E or Record 52, as the case may be, in accordance with the provisions of § 180.88. The physical receipt and disposition of distilled spirits at the wholesale liquor dealer premises of the person bringing distilled spirits into the United States from Puerto Rico, shall continue to be reported on Record 52 in accordance with the provisions of § 180.89. (Secs. 2857, 2858, 3171, 3176, 3254, 3360, I. R. C.)

§ 180.89b *Place where Form 52-F shall be kept.* Every person bringing distilled spirits into the United States from Puerto Rico shall keep Form 52-F at the place of business where warehouse receipts are sold, or offered for sale. (Secs. 2857, 2858, 3171, 3176, 3254, 3360, I. R. C.)

**PRODUCTS COMING INTO THE UNITED STATES  
FROM VIRGIN ISLANDS**

**GENERAL PROVISIONS**

*Special (Occupational) Taxes*

§ 180.103a *Liquor dealers' special taxes.* Every person bringing liquors into the United States from the Virgin Islands, who sells, or offers for sale, such liquors must file Form 11, "Special Tax Return," with the Collector of Internal Revenue and pay special (occupational) taxes as wholesale dealer in liquor or retail dealer in liquor, or both, in accordance with the law and regulations governing the payment of such special taxes (26 CFR, Part 194). (Secs. 3176, 3250 (a), (b), 3254 (b) (c) 3270, 3271, 3272, 3350, 4041, I. R. C.)

§ 180.103b *Warehouse receipts covering distilled spirits.* Since the sale of warehouse receipts for distilled spirits is equivalent to the sale of distilled spirits, every person bringing distilled spirits into the United States from the Virgin Islands, who sells, or offers for sale, warehouse receipts for distilled spirits stored in warehouses, or elsewhere, incurs liability to special tax as a dealer in liquors at the place where such warehouse receipts are sold, or offered for sale, and must file return and pay occupational tax as provided in § 180.103a. (Secs. 3176, 3250 (a), 3254, 3270, 3271, 3272, 3350, 4041, I. R. C.)

**RECORDS AND REPORTS**

§ 180.141a *Record of warehouse receipts.* Every person bringing distilled spirits into the United States from the Virgin Islands, who sells, or offers for sale, distilled spirits by warehouse receipts shall keep a separate record, and render a monthly transcript, of all purchases and sales of warehouse receipts, on Form 52-F "Wholesale Liquor Dealer's Monthly Record and Report of Pur-

chases and Sales of Warehouse Receipts for Distilled Spirits." There need not be entered on Form 52-F transactions in warehouse receipts not involving the purchase or sale of distilled spirits, such as the receipt from a warehouseman of warehouse receipts covering the deposit or bottling of spirits in his warehouse or the surrender of warehouse receipts for the bottling of the spirits in bond or their transfer in bond to another warehouse. Entries on Form 52-F shall be made as indicated by the headings of the columns and lines of the form and in accordance with the instructions printed thereon or issued in respect thereto, and as required by the regulations in this part. The provisions of § 180.142 with respect to the time of making entries, and of § 180.145 with respect to forms to be provided by users, are hereby made applicable to Form 52-F. The provisions of § 180.143 with respect to a separate record of serial numbers of cases are hereby made applicable to Form 52-F with respect to serial numbers of packages and cases purchased or sold by warehouse receipts. The monthly transcript on Form 52-F shall be forwarded to the district supervisor on or before the tenth day of the succeeding month. The arrival of distilled spirits in customs custody, and the disposition of such distilled spirits from customs custody at the time of their sale or withdrawal therefrom, shall continue to be reported on Form 52-E or Record 52, as the case may be, in accordance with the provisions of § 180.140. The physical receipt and disposition of distilled spirits at the wholesale liquor dealer premises of the person bringing distilled spirits into the United States from the Virgin Islands shall continue to be reported on Record 52 in accordance with the provisions of § 180.141. (Secs. 2857, 2858, 3171, 3176, 3254, 3350, 4041, I. R. C.)

§ 180.141b *Place where Form 52-F shall be kept.* Every person bringing distilled spirits into the United States from the Virgin Islands shall keep Form 52-F at the place of business where warehouse receipts are sold, or offered for sale. (Secs. 2857, 2858, 3171, 3176, 3254, 3350, 4041, I. R. C.)

4. This Treasury decision shall be effective on the 31st day after the date of its publication in the *FEDERAL REGISTER*.

(53 Stat. 327, 1260, 328, 373, 375, 388, as amended, 391, 394, 404, 405, 495; 26 U. S. C. 2857, 2858, 3171, 3176, 3250, 3254, 3270, 3271, 3272, 3350, 3360, 4041)

GEO. J. SCHOENFELT, Jr.,  
Commissioner.

Approved: June 25, 1948.

A. L. M. WIGGINS,  
Acting Secretary of the Treasury.

[F. R. Doc. 42-8234; Filed, July 2, 1943;  
8:56 a. m.]

[T. D. 5633]

**PART 182—INDUSTRIAL ALCOHOL**

**REPORTING OF TRANSACTIONS IN WAREHOUSE  
RECEIPTS**

1. On November 1, 1947 a notice of proposed rule making regarding industrial



alcohol was published in the **FEDERAL REGISTER** (12 F. R. 7118)

2. After consideration of such relevant matter as was presented by interested persons, the following added §§ 182.485a, 182.648a, and 182.648b of Regulations 3, approved March 6, 1942 (26 CFR, Part 182) are hereby adopted.

3. These amendments are designed to provide rules for the reporting of transactions in warehouse receipts.

#### OPERATION OF INDUSTRIAL ALCOHOL BONDED WAREHOUSES

##### *Sales of Alcohol*

§ 182.485a *Warehouse receipts covering alcohol.* Since the sale of warehouse receipts for distilled spirits is equivalent to the sale of distilled spirits, every proprietor of an industrial alcohol plant or bonded warehouse who sells, or offers for sale, warehouse receipts for alcohol stored in industrial alcohol bonded warehouses or customs bonded warehouses, or elsewhere, or who sells, or offers for sale, distilled spirits (other than alcohol) stored in internal revenue or customs bonded warehouses, or elsewhere, incurs liability to special tax as a dealer in liquors at the place where such warehouse receipts are sold or offered for sale (except sales made at the industrial alcohol plant or industrial alcohol bonded warehouse of warehouse receipts covering alcohol in the industrial alcohol plant or industrial alcohol bonded warehouse, or in tax-paid storeroom provided in connection with such bonded warehouse) and must file return and pay occupational tax in accordance with the law and regulations governing the payment of such special taxes (26 CFR, Part 194) (Secs. 3103, 3105, 3124, 3176, 3250 (a) 3254, 3270, 3271, 3272, I. R. C.)

##### *Records and Reports of Proprietor*

§ 182.648a *Record of warehouse receipts to be kept by proprietor.* Every proprietor of an industrial alcohol plant or bonded warehouse who sells, or offers for sale, alcohol or other distilled spirits by warehouse receipts shall keep a separate record, and render a monthly transcript, of all purchases and sales of warehouse receipts on Form 52-F "Wholesale Liquor Dealer's Monthly Record and Report of Purchases and Sales of Warehouse Receipts for Distilled Spirits." There need not be reported on Form 52-F transactions in warehouse receipts not involving the purchase or sale of alcohol or other distilled spirits, such as the receipt from a warehouseman of warehouse receipts covering the deposit of alcohol or other distilled spirits in his warehouse or the surrender of warehouse receipts for the transfer, in bond, of alcohol or other distilled spirits, to another warehouse. Entries on Form 52-F shall be made as indicated by the headings of the columns and lines of the form and in accordance with the instructions printed thereon or issued in respect thereto, and as required by these regulations. The provisions of § 182.648 (a) with respect to the time of making en-

tries, and of § 182.648 (e) with respect to forms to be provided by users, are hereby made applicable to Form 52-F. The provisions of § 182.648 (b) with respect to a separate record of serial numbers of cases are hereby made applicable to Form 52-F with respect to serial numbers of packages and cases purchased or sold by warehouse receipts. The monthly transcript on Form 52-F shall be forwarded to the district supervisor on or before the tenth day of the succeeding month. The physical removal of alcohol from the industrial alcohol plant in connection with which a bonded warehouse is not maintained, shall continue to be reported in accordance with the provisions of § 182.458. The physical removal of alcohol from the industrial alcohol bonded warehouse shall continue to be reported on Forms 1443-A and 1443-B in accordance with the provisions of §§ 182.645 and 182.646, respectively. The physical receipt and disposition of alcohol at tax-paid premises shall continue to be reported on Form 52-E or Record 52, as the case may be, in accordance with the provisions of § 182.648. (Secs. 2857, 2859, 3105, 3124, 3176, 3254, I. R. C.)

§ 182.648b *Place where Form 52-F shall be kept.* Every proprietor of an industrial alcohol plant or bonded warehouse shall keep Form 52-F at the place of business where warehouse receipts are sold or offered for sale. (Secs. 2857, 2859, 3105, 3124, 3176, 3254, I. R. C.)

4. This Treasury decision shall be effective on the 31st day after the date of its publication in the **FEDERAL REGISTER**. (53 Stat. 327, 1260, 328, 357, 358, 364, 375, 388, as amended, 391, 394; 26 U. S. C. 2857, 2859, 3103, 3105, 3124, 3176, 3250 (a) 3254, 3270, 3271, 3272)

GEO. J. SCHOENEMAN,  
Commissioner

Approved: June 25, 1948.

A. L. M. WIGGINS,  
Acting Secretary of the Treasury.

[F. R. Doc. 48-5986; Filed, July 2, 1948;  
8:53 a. m.]

[T. D. 5634]

#### PART 183—PRODUCTION OF DISTILLED SPIRITS

##### REPORTING OF TRANSACTIONS IN WAREHOUSE RECEIPTS

1. On November 1, 1947 a notice of proposed rule making regarding production of distilled spirits was published in the **FEDERAL REGISTER** (12 F. R. 7119)

2. After consideration of such relevant matter as was presented by interested persons, the following added §§ 183.392a, 183.403a, and 183.403b of Regulations 4, approved February 28, 1940, (26 CFR, Part 183) are hereby adopted.

3. These amendments are designed to provide rules for the reporting of transactions in warehouse receipts.

#### SPECIAL (OCCUPATIONAL) TAXES

§ 183.392a *Warehouse receipts covering distilled spirits.* Since the sale of warehouse receipts for distilled spirits is equivalent to the sale of distilled spirits, every proprietor of a registered distillery who sells, or offers for sale, warehouse receipts for distilled spirits held in registered distilleries or stored in internal revenue bonded warehouses, or elsewhere, incurs liability to special tax as a dealer in liquors at the place where such warehouse receipts are sold or offered for sale, and must file return and pay occupational tax as provided in § 183.392. (Secs. 3176, 3250 (a), 3254, 3270, 3271, 3272, I. R. C.)

#### DISTILLER'S RECORDS AND REPORTS

§ 183.403a *Record of warehouse receipts to be kept by distiller.* Every proprietor of a registered distillery who sells, or offers for sale, distilled spirits by warehouse receipts shall keep a separate record, and render a monthly transcript, of all purchases and sales of warehouse receipts, on Form 52-F "Wholesale Liquor Dealer's Monthly Record and Report of Purchases and Sales of Warehouse Receipts, on Form 52-F "Wholesale Liquor not be entered on Form 52-F transactions in warehouse receipts not involving the purchase or sale of distilled spirits, such as the receipt from a warehouseman of warehouse receipts covering the deposit or bottling of spirits in his warehouse or the surrender of warehouse receipts for the bottling of the spirits in bond or their transfer in bond to another warehouse. Entries on Form 52-F shall be made as indicated by the headings of the columns and lines of the form and in accordance with the instructions printed thereon or issued in respect thereto, and as required by these regulations. The provisions of § 183.404 with respect to the time of making entries, and of § 183.407 with respect to forms to be provided by users, are hereby made applicable to Form 52-F. The provisions of § 183.405 with respect to a separate record of serial numbers of cases are hereby made applicable to Form 52-F with respect to serial numbers of packages and cases purchased or sold by warehouse receipts. The monthly transcript on Form 52-F shall be forwarded to the district supervisor on or before the tenth day of the succeeding month. The physical removal of distilled spirits from the registered distillery shall continue to be reported on Form 1598 in accordance with the provisions of § 183.402. The physical receipt and disposition of distilled spirits at tax-paid premises shall continue to be reported on Form 52-E or Record 52, as the case may be, in accordance with the provisions of § 183.403. (Secs. 2857, 2859, 3176, 3254, I. R. C.)

§ 183.403b *Place where Form 52-F shall be kept.* Every distiller shall keep Form 52-F at the place of business where warehouse receipts are sold or offered for sale. (Secs. 2857, 2859, 3176, 3254, I. R. C.)

4. This Treasury decision shall be effective on the 31st day after the date of its publication in the *FEDERAL REGISTER*. (53 Stat. 327, 1260, 328, 375, 388, as amended, 391, 394; 26 U. S. C. 2857, 2859, 3176, 3250 (a), 3254, 3271, 3272)

GEO. J. SCHOENEMAN,  
*Commissioner.*

Approved: June 25, 1948.

A. L. M. WIGGINS,  
*Acting Secretary of the Treasury.*

[F. D. Doc. 48-5987; Filed, July 2, 1948;  
8:53 a. m.]

[T. D. 5635]

#### PART 184—PRODUCTION OF BRANDY

##### REPORTING OF TRANSACTIONS IN WAREHOUSE RECEIPTS

1. On November 1, 1947 a notice of proposed rule making regarding production of brandy was published in the *FEDERAL REGISTER* (12 F. R. 7119)

2. After consideration of such relevant matter as was presented by interested persons, the following added §§ 184.414a, 184.422a, and 184.422b of Regulations 5, approved February 28, 1940 (26 CFR, Part 184), are hereby adopted.

3. These amendments are designed to provide rules for the reporting of transactions in warehouse receipts.

##### SPECIAL (OCCUPATIONAL) TAXES

§ 184.414a *Warehouse receipts covering distilled spirits.* Since the sale of warehouse receipts for distilled spirits is equivalent to the sale of distilled spirits, every proprietor of a fruit distillery who sells, or offers for sale, warehouse receipts for distilled spirits held in fruit distilleries or stored in internal revenue bonded warehouses, or elsewhere, incurs liability to special tax as a dealer in liquors at the place where such warehouse receipts are sold or offered for sale, and must file return and pay occupational tax as provided in § 184.414. (Secs. 3176, 3250 (a), 3254, 3270, 3271, 3272, I. R. C.)

##### DISTILLER'S RECORDS AND REPORTS

§ 184.422a *Record of warehouse receipts to be kept by distiller.* Every proprietor of a fruit distillery who sells, or offers for sale, distilled spirits by warehouse receipts shall keep a separate record, and render a monthly transcript, of all purchases and sales of warehouse receipts on Form 52-F, "Wholesale Liquor Dealer's Monthly Record and Report of Purchases and Sales of Warehouse Receipts for Distilled Spirits." There need not be entered on Form 52-F transactions in warehouse receipts not involving the purchase or sale of distilled spirits, such as the receipt from a warehouseman of warehouse receipts covering the deposit or bottling of spirits in his warehouse or the surrender of warehouse receipts for the bottling of the spirits in bond or their transfer in bond to another warehouse. Entries on Form 52-F shall be made as indicated by the headings of the columns and lines of the form and in accordance with the instructions printed thereon or issued in respect thereto, and as required by the regulations in this part. The

provisions of § 184.423 with respect to the time of making entries and of § 184.426 with respect to forms to be provided by users, are hereby made applicable to Form 52-F. The provisions of § 184.424 with respect to a separate record of serial numbers of cases are hereby made applicable to Form 52-F with respect to serial numbers of packages and cases purchased or sold by warehouse receipts. The monthly transcript on Form 52-F shall be forwarded to the district supervisor on or before the tenth day of the succeeding month. The physical removal of distilled spirits from the fruit distillery shall continue to be reported on Form 15 in accordance with the provisions of § 184.418. The physical receipt and disposition of distilled spirits at tax-paid premises shall continue to be reported on Form 52-E or Record 52, as the case may be, in accordance with the provisions of § 184.422. (Secs. 2857, 2859, 3176, 3254, I. R. C.)

§ 184.422b *Place where Form 52-F shall be kept.* Every distiller shall keep Form 52-F at the place of business where warehouse receipts are sold or offered for sale. (Secs. 2857, 2859, 3176, 3254, I. R. C.)

4. This Treasury decision shall be effective on the 31st day after the date of its publication in the *FEDERAL REGISTER*.

(53 Stat. 327, 1260, 328, 375, 388, as amended, 391, 394; 26 U. S. C. 2857, 2859, 3176, 3250 (a), 3254, 3270, 3271, 3272)

GEO. J. SCHOENEMAN,  
*Commissioner.*

Approved: June 25, 1948.

A. L. M. WIGGINS,  
*Acting Secretary of the Treasury.*

[F. R. Doc. 48-5983; Filed, July 2, 1948;  
8:53 a. m.]

[T. D. 5636]

#### PART 185—WAREHOUSING OF DISTILLED SPIRITS

##### REPORTING OF TRANSACTIONS IN WAREHOUSE RECEIPTS

1. On November 1, 1947 a notice of proposed rule making regarding warehousing of distilled spirits was published in the *FEDERAL REGISTER* (12 F. R. 7120)

2. After consideration of such relevant matter as was presented by interested persons, the following added §§ 185.463a, 185.475a, and 185.475b of Regulations 10, approved May 20, 1940 (26 CFR, Part 185), are hereby adopted.

3. These amendments are designed to provide rules for the reporting of transactions in warehouse receipts.

##### SPECIAL (OCCUPATIONAL) TAXES

§ 185.463a *Warehouse receipts covering distilled spirits.* Since the sale of warehouse receipts for distilled spirits is equivalent to the sale of distilled spirits, every proprietor of an internal revenue bonded warehouse who sells, or offers for sale, warehouse receipts for distilled spirits stored in internal revenue bonded warehouses, or elsewhere, incurs liability to special tax as a dealer in liquors at the place where such warehouse receipts are sold or offered for sale, and

must file return and pay occupational tax as provided in § 185.463. (Secs. 3176, 3250 (a), 3254, 3270, 3271, 3272, I. R. C.)

##### RECORDS AND REPORTS OF PROPRIETOR

§ 185.475a *Record of warehouse receipts to be kept by warehouseman.* Every proprietor of an internal revenue bonded warehouse who sells, or offers for sale, distilled spirits by warehouse receipts shall keep a separate record, and render a monthly transcript, of all purchases and sales of warehouse receipts on Form 52-F, "Wholesale Liquor Dealer's Monthly Record and Report of Purchases and Sales of Warehouse Receipts for Distilled Spirits." There need not be entered on Form 52-F transactions in warehouse receipts not involving the purchase or sale of distilled spirits, such as the issuance by the warehouseman of warehouse receipts covering the deposit or bottling of spirits in his warehouse or the receipt of warehouse receipts surrendered for the bottling of the spirits in bond or their transfer in bond to another warehouse. Entries on Form 52-F shall be made as indicated by the headings of the columns and lines of the form and in accordance with the instructions printed thereon or issued in respect thereto and as required by the regulations in this part. The provisions of § 185.476 with respect to the time of making entries, and of § 185.479 with respect to forms to be provided by users, are hereby made applicable to Form 52-F. The provisions of § 185.477 with respect to a separate record of serial numbers of cases are hereby made applicable to Form 52-F with respect to serial numbers of packages and cases purchased or sold by warehouse receipts. The monthly transcript on Form 52-F shall be forwarded to the district supervisor on or before the tenth day of the succeeding month. The physical removal of distilled spirits from the internal revenue bonded warehouse shall continue to be reported on Form 52-C in accordance with the provisions of § 185.474. The physical receipt and disposition of distilled spirits at tax-paid premises shall continue to be reported on Form 52-E or Record 52, as the case may be, in accordance with the provisions of § 185.475. (Secs. 2857, 2859, 3176, 3254, I. R. C.)

§ 185.475b *Place where Form 52-F shall be kept.* Every proprietor of an internal revenue bonded warehouse shall keep Form 52-F at the place of business where warehouse receipts are sold or offered for sale. (Secs. 2857, 2859, 3176, 3254, I. R. C.)

4. This Treasury decision shall be effective on the 31st day after the date of its publication in the *FEDERAL REGISTER*.

(53 Stat. 327, 1263, 328, 375, 378 as amended, 391, 394; 26 U. S. C. 2857, 2859, 3176, 3250 (a), 3254, 3270, 3271, 3272)

GEO. J. SCHOENEMAN,  
*Commissioner.*

Approved: June 25, 1948.

A. L. M. WIGGINS,  
*Acting Secretary of the Treasury.*

[F. R. Doc. 48-5933; Filed, July 2, 1948;  
8:53 a. m.]

[T. D. 5637]

PART 189—BOTTLING OF TAX-PAID  
DISTILLED SPIRITSREPORTING OF TRANSACTIONS IN WAREHOUSE  
RECEIPTS

1. On November 1, 1947 a notice of proposed rule making regarding bottling of tax-paid distilled spirits was published in the *FEDERAL REGISTER* (12 F. R. 7120)

2. After consideration of such relevant matter as was presented by interested persons, the following added §§ 189.143a, 189.132a, and 189.132b of Regulations 11, approved May 20, 1940 (26 CFR, Part 189) are hereby adopted.

3. These amendments are designed to provide rules for the reporting of transactions in warehouse receipts.

## SPECIAL (OCCUPATIONAL) TAXES

§ 189.143a *Warehouse receipts covering distilled spirits.* Since the sale of warehouse receipts for distilled spirits is equivalent to the sale of distilled spirits, every proprietor of a tax-paid bottling house who sells, or offers for sale, warehouse receipts for distilled spirits stored in internal revenue bonded warehouses, or elsewhere, incurs liability to special tax as a dealer in liquors at the place where such warehouse receipts are sold or offered for sale, and must file return and pay occupational tax as provided in § 189.143. (Secs. 2803, 2871, 3176, 3250 (a), 3254, 3270, 3271, 3272, I. R. C.)

## PROPRIETOR'S RECORDS AND REPORTS

§ 189.132a *Record of warehouse receipts to be kept by proprietor.* Every proprietor of a tax-paid bottling house who sells, or offers for sale, distilled spirits by warehouse receipts shall keep a separate record, and render a monthly transcript, of all purchases and sales of warehouse receipts on Form 52-F "Wholesale Liquor Dealer's Monthly Record and Report of Purchases and Sales of Warehouse Receipts for Distilled Spirits." There need not be entered on Form 52-F transactions in warehouse receipts not involving the purchase or sale of distilled spirits, such as the receipt from a warehouseman of warehouse receipts covering the deposit or bottling of spirits in his warehouse or the surrender of warehouse receipts for the bottling of the spirits in bond or their transfer in bond to another warehouse. Entries on Form 52-F shall be made as indicated by the headings of the columns and lines of the form and in accordance with the instructions printed thereon or issued in respect thereto, and as required by these regulations in this part. The provisions of § 189.133 with respect to the time of making entries, and of § 189.136 with respect to forms to be provided by users, are hereby made applicable to Form 52-F. The provisions of § 189.134 with respect to a separate record of serial numbers of cases are hereby made applicable to Form 52-F with respect to serial numbers of packages and cases purchased or sold by warehouse receipts. The monthly transcript on Form 52-F shall be forwarded to the district supervisor on or before the tenth day of the succeeding month. The physical removal of distilled spirits from

the tax-paid bottling house shall continue to be reported on Form 52-D in accordance with the provisions of § 189.131. The physical receipt and disposition of distilled spirits at the contiguous wholesale liquor dealer room not used exclusively for products bottled at the tax-paid bottling house shall continue to be reported on Record 52 in accordance with the provisions of § 189.132. (Secs. 2803, 2857, 2858, 2871, 3176, 3254, I. R. C.)

§ 189.132b *Place where Form 52-F shall be kept.* Every proprietor of a tax-paid bottling house shall keep Form 52-F at the place of business where warehouse receipts are sold or offered for sale. (Secs. 2803, 2857, 2858, 2871, 3176, 3254, I. R. C.)

4. This Treasury decision shall be effective on the 31st day after the date of its publication in the *FEDERAL REGISTER*.

(53 Stat. 303, as amended, 327, 1260, 328, 331, 375, 388, as amended, 391, 394; 26 U. S. C. 2803, 2857, 2858, 2871, 3176, 3250 (a), 3254, 3270-3272)

GEO. J. SCHOENEMAN,  
Commissioner

Approved: June 25, 1948.

A. L. M. WIGGINS,  
Acting Secretary of the Treasury.

[F. R. Doc. 48-5990; Filed, July 2, 1948;  
8:55 a. m.]

[T. D. 5638]

PART 190—RECTIFICATION OF SPIRITS AND  
WINESREPORTING OF TRANSACTIONS IN WAREHOUSE  
RECEIPTS

1. On November 1, 1947 a notice of proposed rule making regarding rectification of spirits and wines was published in the *FEDERAL REGISTER* (12 F. R. 7121)

2. After consideration of such relevant matter as was presented by interested persons, the following added §§ 190.159a, 190.429a, and 190.429b of Regulations 15, approved May 20, 1940, (26 CFR, Part 190) are hereby adopted.

3. These amendments are designed to provide rules for the reporting of transactions in warehouse receipts.

## SPECIAL (OCCUPATIONAL) TAXES

§ 190.159a *Warehouse receipts covering distilled spirits.* Since the sale of warehouse receipts for distilled spirits is equivalent to the sale of distilled spirits, every proprietor of a rectifying plant who sells, or offers for sale, warehouse receipts for distilled spirits stored in internal revenue bonded warehouses, or elsewhere, incurs liability to special tax as a dealer in liquors at the place where warehouse receipts are sold or offered for sale and must file return and pay occupational tax as provided in § 190.159. (Secs. 2801, 3176, 3250 (a), 3254, 3270, 3271, 3272, I. R. C.)

## RECTIFIER'S RECORDS AND REPORTS

§ 190.429a *Record of warehouse receipts to be kept by rectifier.* Every pro-

prietor of a rectifying plant who sells, or offers for sale, distilled spirits by warehouse receipts shall keep a separate record, and render a monthly transcript, of all purchases and sales of warehouse receipts on Form 52-F "Wholesale Liquor Dealer's Monthly Record and Report of Purchases and Sales of Warehouse Receipts for Distilled Spirits." There need not be entered on Form 52-F transactions in warehouse receipts not involving the purchase or sale of distilled spirits, such as the receipt from a warehouseman of warehouse receipts covering the deposit or bottling of spirits in his warehouse or the surrender of warehouse receipts for the bottling of the spirits in bond or their transfer in bond to another warehouse. Entries on Form 52-F shall be made as indicated by the headings of the columns and lines of the form and in accordance with the instructions printed thereon or issued in respect thereto, and as required by the regulations in this part. The provisions of § 190.430 with respect to the time of making entries, and of § 190.437 with respect to forms to be provided by users, are hereby made applicable to Form 52-F. The provisions of § 190.431 with respect to a separate record of serial numbers of cases are hereby made applicable to Form 52-F with respect to serial numbers of packages and cases purchased or sold by warehouse receipts. The monthly transcript on Form 52-F shall be forwarded to the district supervisor on or before the tenth day of the succeeding month. The physical removal of distilled spirits from the rectifying plant shall continue to be reported on Form 45 in accordance with the provisions of § 190.427. The physical receipt and disposition of distilled spirits at the contiguous wholesale liquor dealer room not used exclusively for products bottled at the rectifying plant shall continue to be reported on Record 52 in accordance with the provisions of § 190.428. The physical receipt and disposition of distilled spirits at the rectifier's noncontiguous wholesale liquor dealer premises shall continue to be reported on Record 52 in accordance with the provisions of § 190.429. (Secs. 2801, 2857, 2858, 3176, 3254, I. R. C.)

§ 190.429b *Place where Form 52-F shall be kept.* Every proprietor of a rectifying plant shall keep Form 52-F at the place of business where warehouse receipts are sold or offered for sale. (Secs. 2801, 2857, 2858, 3176, 3254, I. R. C.)

4. This Treasury decision shall be effective on the 31st day after the date of its publication in the *FEDERAL REGISTER*.

(53 Stat. 300, 327, 1260, 328, 375, 388, as amended, 391, 394; 26 U. S. C. 2801, 2857, 2858, 3176, 3250 (a), 3254, 3270-3272)

GEO. J. SCHOENEMAN,  
Commissioner

Approved: June 25, 1948.

A. L. M. WIGGINS,  
Acting Secretary of the Treasury.

[F. R. Doc. 48-5991; Filed, July 2, 1948;  
8:55 a. m.]

[T. D. 5640]

## PART 191—IMPORTATION OF DISTILLED SPIRITS AND WINES

## REPORTING OF TRANSACTIONS IN WAREHOUSE RECEIPTS

1. On November 1, 1947 a notice of proposed rule making regarding importation of distilled spirits and wines was published in the FEDERAL REGISTER (12 F. R. 7121)

2. After consideration of such relevant matter as was presented by interested persons, the following added §§ 191.4a, 191.57a, and 191.57b of Regulations\*21, approved October 16, 1940 (26 CFR, Part 191) are hereby adopted.

3. These amendments are designed to provide rules for the reporting of transactions in warehouse receipts.

## SPECIAL (OCCUPATIONAL) TAXES

§ 191.4a *Warehouse receipts covering distilled spirits.* Since the sale of warehouse receipts for distilled spirits is equivalent to the sale of distilled spirits, every person engaged in business as an importer of distilled spirits, who sells, or offers for sale, warehouse receipts for distilled spirits stored in customs bonded warehouses, or elsewhere, incurs liability to special tax as a dealer in liquors at the place where the warehouse receipts are sold or offered for sale, and must file return and pay occupational tax as provided in § 191.4. (Secs. 3176, 3250 (a) 3254, 3270, 3271, 3272, I. R. C.)

## IMPORTER'S RECORDS AND REPORTS

§ 191.57a *Record of warehouse receipts to be kept by importer.* Every importer who sells, or offers for sale, distilled spirits by warehouse receipts shall keep a separate record, and render a monthly transcript, of all purchases and sales of warehouse receipts on Form 52-F "Wholesale Liquor Dealer's Monthly Record and Report of Purchases and Sales of Warehouse Receipts for Distilled Spirits." There need not be entered on Form 52-F transactions in warehouse receipts not involving the purchase or sale of distilled spirits such as the receipt from a warehouseman of warehouse receipts covering the deposit or bottling of spirits in his warehouse or the surrender of warehouse receipts for the bottling of the spirits in bond or their transfer in bond to another warehouse. Entries on Form 52-F shall be made as indicated by the headings of the columns and lines on the form and in accordance with the instructions printed thereon or issued in respect thereto, and as required by the regulations in this part. The provisions of § 191.59 with respect to the time of making entries, and of § 191.62 with respect to forms to be provided by users, are hereby made applicable to Form 52-F. The provisions of § 191.60 with respect to a separate record of serial numbers of cases are hereby made applicable to Form 52-F with respect to serial numbers of packages and cases purchased or sold by warehouse receipts. The monthly transcript on Form 52-F shall be forwarded to the district supervisor on or before the tenth day of the succeeding month. The importation of distilled spirits, and the disposi-

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tion of such spirits from customs custody at the time of their sale or withdrawal therefrom, shall continue to be reported on Form 52-E or Record 52, as the case may be, in accordance with the provisions of § 191.57. The physical receipt and disposition of distilled spirits at the importer's wholesale liquor dealer premises shall continue to be reported on Record 52 in accordance with the provisions of § 191.58. (Secs. 2857, 2858, 3171, 3176, 3254, I. R. C.)

§ 191.57b *Place where Form 52-F shall be kept.* Every importer shall keep Form 52-F at the place of business where warehouse receipts are sold or offered for sale. (Secs. 2857, 2858, 3171, 3176, 3254, I. R. C.)

4. This Treasury decision shall be effective on the 31st day after the date of its publication in the FEDERAL REGISTER.

(53 Stat. 327, 1260, 328, 373, 375, 388, as amended, 391, 394; 26 U. S. C. 2857, 2858, 3171, 3176, 3250 (a), 3254, 3270, 3271, 3272)

GEO. J. SCHOENEMAN,  
Commissioner.

Approved: June 25, 1948.

A. L. M. WIGGINS,  
Acting Secretary of the Treasury.

[F. R. Doc. 48-5593; Filed, July 2, 1948;  
8:56 a. m.]

[T. D. 5639]

## PART 194—WHOLESALE AND RETAIL DEALERS IN LIQUORS

## REPORTING OF TRANSACTIONS IN WAREHOUSE RECEIPTS

1. On March 24, 1948 a notice of proposed rule making regarding wholesale and retail dealers in liquors was published in the FEDERAL REGISTER (12 F. R. 1564)

2. After consideration of such relevant matter as was presented by interested persons, the following amended §§ 194.27 (a) 194.75 (a) and (b) 194.76 and 194.78 and added paragraph (e) to § 194.75 and § 194.78a of Regulations 20, approved June 6, 1940 (26 CFR, Part 194), are hereby adopted.

3. These amendments are designed to provide the following rules for the reporting of transactions in warehouse receipts:

(a) Prescribes Form 52-F, "Wholesale Liquor Dealer's Monthly Record and Report of Purchases and Sales of Warehouse Receipts for Distilled Spirits," for keeping a record and submitting to the District Supervisor a monthly report of all purchases and sales of warehouse receipts for distilled spirits, in lieu of Record 52, "Wholesale Liquor Dealer's Record," and monthly transcripts, Forms 52-A and 52-B, "Wholesale Liquor Dealer's Monthly Report," and Form 338, "Wholesale Liquor Dealer's Monthly Report, (Summary of Forms 52-A and 52-B)" now prescribed by Treasury Decision 5571, approved July 8, 1947. Record 52, and Forms 52-A, 52-B, and 338

will, after the effective date of the proposed regulations, be used by wholesale dealers in liquors solely for recording and reporting the physical receipt and removal of distilled spirits.

(b) Exempts the wholesale liquor dealer from entering on Record 52 the serial numbers of cases received (in addition to the serial numbers of cases removed from the premises, exempted by the present regulations), and from reporting on Form 52-F, the serial numbers of packages and cases represented by warehouse receipts purchased and the serial numbers of packages represented by warehouse receipts sold (in addition to the serial numbers of cases represented by warehouse receipts sold, exempted by the present regulations) provided the wholesale dealer in liquors maintains a separate record of such information available for inspection by internal revenue officers.

(c) Provides that in lieu of the name and address of the person from whom the spirits were received, or to whom they were sent, there will be shown the name and address and the registry number and State, or permit number, of the consignor, or consignee, as the case may be, for the first shipment, or receipt, respectively and for other shipments or receipts during such month there need be shown only the registry number and State, or permit number, of each such consignor, or consignee. The wholesale dealer in liquors will continue to report the name and address on every shipment to or from retail dealers in liquors. (Receipts from such retail dealers in liquors are subject to the restrictions in section 5 of the Federal Alcohol Administration Act (27 U. S. C. 205))

(d) Exempts the wholesale dealer in liquors from entering on Record 52 the name of the distiller, rectifier or bottler of the distilled spirits received or sent, provided he maintains a separate record of such names available for inspection by internal revenue officers, but the registry number or permit number and the State or country must be reported on Record 52.

## SPECIAL TAXES

§ 194.27 *Warehouse receipts covering spirits.* (a) Since the sale of warehouse receipts for distilled spirits is equivalent to the sale of distilled spirits, every person who sells, or offers for sale, warehouse receipts for distilled spirits held in registered or fruit distilleries or stored in internal-revenue bonded warehouses, customs bonded warehouses, or elsewhere, incurs liability to special tax as a dealer in liquors at the place where such warehouse receipts are sold, or offered for sale, and must file return and pay occupational tax as provided in § 194.40, unless exempted by the provisions of §§ 194.66, 194.67, 194.68, 194.69, 194.70, and 194.73. (Secs. 3176, 3250 (a) 3254, 3270, 3271, 3272, I. R. C.)

## MAINTENANCE OF RECORDS AND POSTING OF SIGNS

§ 194.75 *Records to be kept by wholesale liquor dealers.* (a) Except as provided in paragraph (e) of this section, every wholesale dealer in liquors who sells distilled spirits shall keep Record 52, "Wholesale Liquor Dealer's Record,"

and render monthly transcripts, Forms 52-A and 52-B, "Wholesale Liquor Dealer's Monthly Report," and Form 338, "Wholesale Liquor Dealer's Monthly Report (Summary of Forms 52-A and 52-B)" of the physical receipt and disposition of distilled spirits by him. Daily entries shall be made on Record 52 of all distilled spirits received and disposed of, as indicated by the headings of the columns and lines of the form and the instructions printed thereon or issued in respect thereto, and as required by the regulations in this part, not later than the close of business of the day on which the transactions occur: *Provided*, That where the wholesale dealer in liquors keeps a separate record, such as invoices, of the removal of distilled spirits, showing the removal data required to be entered on Record 52, daily entries of the removal of distilled spirits may be made on Record 52 not later than the close of business of the following business day, provided such separate record is approved by the district supervisor.

(b) Except as provided in paragraph (c) of this section, every wholesale dealer in liquors who sells, or offers for sale, distilled spirits by warehouse receipts, shall keep a separate record, and render a monthly transcript, of all purchases and sales of warehouse receipts, on Form 52-F "Wholesale Liquor Dealer's Monthly Record and Report of Purchases and Sales of Warehouse Receipts for Distilled Spirits." There need not be reported on Form 52-F transactions in warehouse receipts not involving the purchase or sale of distilled spirits, such as the receipt from a warehouseman of warehouse receipts covering the deposit or bottling of the spirits in his warehouse or the surrender of warehouse receipts for the bottling of the spirits in bond or their transfer in bond to another warehouse. Entries on Form 52-F shall be made as indicated by the headings of the columns and lines of the form and the instructions printed thereon or issued in respect thereto, and as required by these regulations. The provisions of paragraph (a) of this section with respect to the time of making entries, and of § 194.81 with respect to forms to be provided by users, are hereby made applicable to Form 52-F. The monthly transcript on Form 52-F shall be forwarded to the district supervisor on or before the tenth day of the succeeding month. (Secs. 2857, 2858, 3176, 3254, I. R. C.)

§ 194.75 (e) The proprietor of an industrial alcohol plant or industrial alcohol bonded warehouse shall keep records in his capacity as a wholesale dealer in liquors in accordance with Regulations 8, "Industrial Alcohol," (26 CFR, Part 182) The proprietor of a registered distillery shall keep records in his capacity as a wholesale dealer in liquors in accordance with Regulations 4, "Production of Distilled Spirits," (26 CFR, Part 183) The proprietor of a fruit distillery shall keep records in his capacity as a wholesale dealer in liquors in accordance with Regulations 5, "Production of Brandy," (26 CFR, Part 184) The proprietor of an internal revenue bonded warehouse shall keep records in his capacity as a wholesale dealer in

liquors in accordance with Regulations 10, "Warehousing of Distilled Spirits," (26 CFR, Part 185) The proprietor of a tax-paid bottling house shall keep records in his capacity as a wholesale dealer in liquors in accordance with Regulations 11, "Bottling of Tax-paid Distilled Spirits," (26 CFR, Part 189) The proprietor of a rectifying plant shall keep records in his capacity as a wholesale dealer in liquors in accordance with Regulations 15, "Rectification of Spirits and Wines," (26 CFR, Part 190) An importer shall keep records in his capacity as a wholesale dealer in liquors in accordance with Regulations 21, "Importation of Distilled Spirits and Wines," (26 CFR, Part 191) Any person bringing distilled spirits into the United States from Puerto Rico or the Virgin Islands shall keep records in his capacity as a wholesale dealer in liquors in accordance with Regulations 24, "Liquors and Articles from Puerto Rico and the Virgin Islands," (26 CFR, Part 180) (Secs. 2857, 2858, 3176, 3254, I. R. C.)

§ 194.76 *Separate records.* (a) Where more than one shipment of distilled spirits is received from the same consignor during any month, there will be entered on Record 52 for the first shipment received, the name and address of such consignor, followed by the registry number (preceded by appropriate identifying symbols) and the State of the consignor's plant or warehouse (for example, IRBW-4-Ky.) or, in the case of shipments received from wholesale liquor dealers or importers, the permit number of the consignor (for example, 3-I-1234) For the remaining shipments received from such consignor during the month, there may be entered in the column designated "Name" such registry number or permit number, as the case may be, and the name and address of the consignor may be omitted. Likewise, where more than one shipment of distilled spirits is sent to the same consignee during any month, there will be entered on Record 52 for the first shipment made the name and address of such consignee followed by the registry number or permit number of the consignee. For the remaining shipments made to such consignee during the month, there may be entered in the column designated "Name" such registry number or permit number, as the case may be, and the name and address of the consignee may be omitted. Where the consignor or consignee is a retail dealer in liquors, the name and address must be entered on Record 52 for each shipment received or sent.

(b) The name of the person by whom the distilled spirits were distilled, rectified or bottled, need not be entered on Record 52 provided the proprietor keeps at his place of business a separate record of such information, available for inspection by internal revenue officers. The registry number or permit number must be entered in column 5 and the State or country in column 6.

(c) Serial numbers of cases of distilled spirits received, or disposed of, need not be entered on Record 52, and the serial numbers of packages and cases purchased or sold by warehouse receipts need not be entered on Form 52-F *Provided*,

That the wholesale dealer in liquors keeps at his place of business a separate record, showing such serial numbers, with necessary identifying data, including the date of the physical receipt or disposition of distilled spirits and the name and address of the person from whom received or to whom sent, and the date of purchase or sale of warehouse receipts and the name and address of the purchaser or seller, as the case may be: *And provided further*, That the keeping of such record is approved by the district supervisor.

(d) The separate records prescribed by paragraphs (b) and (c) of this section may be kept in book form (including loose-leaf books) or may consist of commercial papers, such as invoices or bills. Such books, invoices, and bills shall be preserved for a period of four years and in such manner that the required information may be readily ascertained therefrom, and, during such period, shall be available during business hours for inspection and the taking of abstracts therefrom by internal revenue officers. If a record in book form is kept, entry shall be made on such separate record not later than the close of business of the day on which the transactions occur. The dealer shall note on Record 52, and on Form 52-F in the column for reporting serial numbers, "Serial numbers shown on commercial record per authority, dated \_\_\_\_\_" (Secs. 2857, 2858, 3176, 3254, I. R. C.)

§ 194.78 *Place where Record 52 shall be kept.* (a) Except as provided in paragraph (b) of this section, the wholesale dealer in liquors shall keep Record 52 at the place of business covered by his wholesale liquor dealer special tax stamp, if spirits are received and sent out from such premises. (Secs. 2857, 2858, 3176, 3254, I. R. C.)

§ 194.78a *Place where Form 52-F shall be kept.* Every wholesale dealer in liquors shall keep Form 52-F at the place of business where warehouse receipts are sold or offered for sale. (Secs. 2857, 2858, 3176, 3254, I. R. C.)

4. Treasury Decision 5571, approved July 8, 1947, is revoked as of the effective date of this Treasury decision.

5. This Treasury decision shall be effective on the 31st day after the date of its publication in the FEDERAL REGISTER. (53 Stat. 327, 1260, 328, 375, 388, as amended, 391, 394; 26 U. S. C. 2857, 2858, 3176, 3250 (a) 3254, 3270-3272)

GEO. J. SCHOENEMAN,  
Commissioner

Approved: June 25, 1948.

A. L. M. WIGGINS,  
Acting Secretary of the Treasury.  
[F. R. Doc. 48-5992; Filed, July 2, 1948;  
8:55 a. m.]

[T. D. 5632]

PART 319—TAXES RELATING TO MACHINE GUNS AND CERTAIN OTHER FIREARMS

TAX-EXEMPT TRANSFER OF FIREARMS

The first sentence of the first paragraph of § 319.30 of Regulations 88



(1941 Edition) is hereby amended to read as follows: "Where a transfer is claimed to be exempt from tax under section 2721 (a) (see § 319.29) an application for exemption must be immediately executed by the transferor in triplicate on Form 5 (Firearms) and the original forwarded to the Commissioner of Internal Revenue, Washington, D. C., the duplicate retained by the transferor, and the triplicate furnished to the transferee."

(53 Stat. 294, 467; 26 U. S. C. 2732, 3791)

Because the purpose of this Treasury decision is merely to make a minor non-controversial change of procedure of no particular public interest and imposing no appreciable additional burden, it is found that it is unnecessary to issue such Treasury decision under section 4 (a) of the Administrative Procedure Act, approved June 11, 1946, or subject to the effective date limitation of section 4 (c) of said act.

This Treasury decision shall be effective upon its filing for publication in the FEDERAL REGISTER.

GEO. J. SCHOENEMAN,  
Commissioner of Internal Revenue.

Approved: June 25, 1948.

A. L. M. WIGGINS,  
Acting Secretary of the Treasury.

[F. R. Doc. 48-5995; Filed, July 2, 1948;  
8:56 a. m.]

## TITLE 37—PATENTS, TRADE-MARKS AND COPYRIGHTS

### Chapter II—Copyright Office, Library of Congress

#### PART 201—REGISTRATION OF CLAIMS TO COPYRIGHT

##### MISCELLANEOUS AMENDMENTS

1. The cross-reference appearing at the end of § 201.4 (b) (7) is amended by adding "See also § 201.7, paragraph (c)."

2. Section 201.7 is amended by adding paragraph (c) to read as follows:

##### § 201.7 *Published works.* \* \* \*

(c) *Three-dimensional works of art.* All applications for copyright registration of published three-dimensional works of art in Class G shall be accompanied by as many photographs, in black and white or color, as are necessary to identify the work. Each photograph shall not be larger than nine by twelve inches, but preferably shall be eight by ten inches, nor shall it present an image of the work smaller than four inches in its greatest dimension. The title of the work shall appear on each photograph.

In addition to the photographs, application on Form GG, and the registration fee of \$4, each applicant shall comply with one of the following options:

(1) *Option "A"* Send two copies of the best edition of the work (or one copy, if by a foreign author and published in a foreign country)

The Copyright Office will issue its certificate of copyright registration and retain the copies for disposition in accordance with its usual practice.

(2) *Option "B"* Send two copies of the best edition of the work (or one copy, if by a foreign author and published in a foreign country) and in addition mark the package so that the Copyright Office can tell before opening it that this option has been chosen. The Copyright Office will supply appropriate labels on request.

The Copyright Office will promptly return the copies to the applicant, at an address within the United States, at his expense via railway express or by some other mutually satisfactory method. The same certificate of copyright registration will be issued as in the case of Option "A"

(3) *Option "C"* Send no copies of the work. If Option "C" is selected the Copyright Office will issue its certificate, bearing a notation that photographs were accepted in place of copies. The Copyright Office will make no demand for copies pursuant to Title 17, U. S. C., section 14, but expresses no opinion as to the need for, or possible effect of delay in, making deposit of copies prior to suit for infringement of copyright.

3. A new application and certificate form is hereby added to the list contained in § 201.12:

Form GG—Published three-dimensional works of art.<sup>1</sup>

(Sec. 207, Pub. Law 281, 80th Cong., sec. 207, 61 Stat. 666)

[SEAL] SAM B. WAINER,  
Register of Copyrights.

Approved: May 27, 1948.

LUTHER H. EVANS,  
Librarian of Congress.

[F. R. Doc. 48-5974; Filed, July 2, 1948;  
8:48 a. m.]

## TITLE 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

### Chapter I—Veterans' Administration

#### APPENDIX TO PART 1—GENERAL

##### APPLICATION OF THE PROVISION OF PUBLIC LAW 862, 80TH CONGRESS, PROHIBITING EXPENDITURE OF GOVERNMENT FUNDS FOR COURSES AVOCATIONAL OR RECREATIONAL IN CHARACTER

1. *Law.* Public Law 862, 80th Congress, by which funds were appropriated for the activities of the Veterans' Administration for the fiscal year 1949 contains the following proviso and limitation:

Provided, that no part of this appropriation for education and training under title II of the Servicemen's Readjustment Act, as amended, shall be expended for tuition, fees or other charges, or for subsistence allowance, for any course elected or commenced by a veteran on or subsequent to July 1, 1948, and which is determined by the Administrator to be avocational or recreational in character. For the purpose of this proviso, education or training for the purpose of teaching a veteran to fly or related aviation courses in connection with his present or contemplated business or occupation, shall not be considered avocational or recreational.

<sup>1</sup>Filed with the original document. Copies may be obtained on request to the Copyright Office, Library of Congress, Washington, D. C.

2. *Veterans' responsibility.* The legislative history reveals that the underlying spirit and intent of the educational and training provisions of the Servicemen's Readjustment Act is to provide an opportunity to each veteran whose education or training was interrupted by reason of his entrance into the service to resume his education or training as a trainee and thereby aid him to attain knowledge or skill which presumably he could have attained but for his service in the armed forces.

It is the intent of the law that the veteran have the right to elect his course of education or training at any approved educational or training institution at which he chooses to enroll which will accept or retain him as a student or trainee in any field or branch of knowledge which such institution finds him qualified to undertake or pursue. The prohibition of the appropriation act for 1949 is in accord with and re-emphasizes the underlying spirit and intent of the educational and training provisions of the Servicemen's Readjustment Act. Therefore, veterans should not seek to pursue courses for avocational or recreational purposes but only courses which will contribute to the veteran's vocational or occupational advancement or educational objective.

#### 3. *Policy.*

(a) *Courses of education.* A course of education elected by a veteran in an approved public or private elementary or secondary school, or an institution of higher learning, for which academic credit is awarded toward the veteran's educational objective, shall not be considered avocational or recreational in character: *Provided*, That any course listed in paragraphs 3 (g) and 3 (h) hereof which is provided by an approved public or private elementary or secondary school, or an institution of higher learning, shall be subject to the regulations set forth in paragraphs 3 (g) and 3 (h) hereof.

(b) *Courses of vocational training.* A course of vocational training elected by a veteran in approved vocational, trade, business or technological school shall not be considered avocational or recreational in character except those courses so determined pursuant to the provisions of paragraphs 3 (g) and 3 (h) hereof.

(c) *Courses of institutional-on-farm training.* A course of institutional-on-farm training which has been elected by a veteran and approved in accordance with the provisions of Public Law 377, 80th Congress, shall not be considered avocational or recreational in character.

(d) *Courses of apprenticeship training.* A course of apprenticeship training elected by a veteran in an approved training establishment shall not be considered avocational or recreational in character.

(e) *Courses of other training-on-the-job.* A course of other training-on-the-job elected by a veteran in a training establishment approved in accordance with the provisions of Public Law 679, 79th Congress, shall not be considered avocational or recreational in character, except those courses so determined pursuant to the provisions of paragraphs 3 (g) and 3 (h) hereof.

(f) *Courses of advanced flight training.* A flight instructor course, an instrument rating course, a multi-engine class rating course, or an airline transport pilot course elected by a veteran in an approved school shall not be considered avocational or recreational in character for a veteran who satisfies the regional office that he possesses a valid commercial pilot's license and the medical certificate which he is required to possess in order to obtain the license or certificate for which the course is pursued.

(g) *Elementary flight, private pilot, and commercial pilot flight courses.* An elementary flight or private pilot course or a commercial pilot course elected by a veteran in an approved school shall not be considered avocational or recreational in character if the veteran submits to the regional office (1) complete justification that such course is in connection with his present or contemplated business or occupation, and (2) satisfactory evidence that he is physically qualified to obtain the type of license which will enable him to attain his employment objective. Such justification and evidence must be submitted to and approved by the regional office prior to his entrance into training. An elementary flight, private pilot or commercial pilot course, or part thereof, which is provided by an institution of higher learning as a voluntary elective course for which academic credit is given as partial fulfillment of the institution's standard credit hour requirement for the veteran's degree objective, shall be subject to the provisions contained in this subparagraph and as heretofore held by the Veterans' Administration shall be considered as separate courses. Flight courses which are required by the institution as a part of the institution's standard credit hour requirement for the veteran's degree objective shall not be considered avocational or recreational in character when the institution certifies to the Veterans' Administration that the veteran is required to pursue such course for credit in order to complete his degree requirement.

(h) *Other courses.*

(1) Other courses include:

(a) Dancing courses; photography courses; glider courses; bar tending courses—courses of mixology; personality development courses; entertainment courses; all single subject courses which are not a part of a general education or training program leading to an educational or employment objective; and all other courses which are well known to managers of regional offices as being frequently pursued in their areas for avocational or recreational purposes.

(b) Music courses—instrumental and vocal; public speaking courses; and courses in sports and athletics such as horseback riding, swimming, fishing, skiing, golf, baseball, tennis, bowling. (NOTE: These courses shall not be construed to refer to those applied music, physical education or public speaking courses which have always been considered and offered by institutions of higher learning for credit as an integral part of a course leading to an educational objective.)

(ii) If a veteran desires to pursue any of the courses listed in this subparagraph

under the provisions of Public Law 346, 78th Congress, as amended, complete justification that such course is in connection with his present or contemplated business or occupation must be submitted to and approved by the regional office prior to entrance into training.

4. Application of law and policy.

(a) This regulation does not affect any course which was commenced by a veteran prior to July 1, 1948. This regulation does apply to those courses referred to in paragraphs 3 (g) and 3 (h) hereof which are commenced on or subsequent to July 1, 1948.

(b) Each manager shall notify immediately by registered mail (return receipt requested) all schools or training establishments in his regional office area which have heretofore furnished or may hereafter desire to furnish to veterans courses referred to in paragraphs 3 (g) and 3 (h) hereof that the Veterans Administration is not authorized to expend any part of its appropriation for tuition, fees, or other charges, or for subsistence allowance for any such course commenced or recommenced by a veteran on or subsequent to July 1, 1948, unless the veteran shows to the satisfaction of the Veterans Administration that such a course is in connection with his present or contemplated business or occupation and prior to entrance into training the veteran and the school or training establishment are notified by the Veterans Administration that it has been so determined.

(c) Determination as to whether the justification is adequate will be made by the chief of the registration and research section or his designate provided that before final determination is made in any doubtful case or the course is finally disapproved, the veteran will be informed by the registration and research section that this justification does not appear adequate and that he may request advisement and guidance before final determination is made. In any case where advisement and guidance is provided, the advisement and guidance procedures relating to Part VIII, Veterans Regulation 1 (a) as amended (38 U. S. C. Ch. 12, Reg. 1 (a) Part VIII) will be applied and the opinion of the vocational adviser as to whether the course is in connection with the present or contemplated business or occupation of the veteran will be acceptable evidence for the resolution of the question.

(Pub. Law 862, 80th Cong.)

[SEAL]

O. W. CLARK,

Executive Assistant

Administrator of Veterans' Affairs.

[F. R. Doc. 48-6043; Filed, July 2, 1948; 9:21 a. m.]

#### PART 36—REGULATIONS UNDER SERVICE-MEN'S READJUSTMENT ACT OF 1944

APPLICATION OF THE PROVISIONS OF PUBLIC LAW 862, 80TH CONGRESS, PROHIBITING EXPENDITURE OF GOVERNMENT FUNDS FOR COURSES AVOCATIONAL OR RECREATIONAL IN CHARACTER

CROSS REFERENCE: For application of the provisions of Public Law 862, 80th

Congress, prohibiting expenditure of Government funds for courses avocational or recreational in character, see Part 1 of this chapter, *supra*.

## TITLE 39—POSTAL SERVICE

### Chapter I—Post Office Department

PART 127—INTERNATIONAL POSTAL SERVICE: "POSTAGE RATES, SERVICE AVAILABLE, AND INSTRUCTIONS FOR MAILING

GREAT BRITAIN AND NORTHERN IRELAND; PROHIBITIONS

In § 127.268, *Great Britain and Northern Ireland*, of Subpart D, (13 F. R. 986), make the following changes:

1. Amend paragraph (b) (5) (v) (aa) to read as follows:

(aa) Processed milk, unless sent as an unsolicited gift, may require the production by the addressee of a license issued by the British Board of Trade, or a certificate in the form approved by the Board of Trade. "Processed milk" means condensed whole milk, condensed skim milk, full-cream milk powder, skimmed milk powder, buttermilk powder, whey powder, or cream.

2. Delete in its entirety paragraph (b) (5) (vi) *Articles in transit*.

(R. S. 161, 396, 398, secs. 304, 309, 42 Stat. 24, 25, 48 Stat. 943; 5 U. S. C. 22, 369, 372)

J. M. DONALDSON,

Postmaster General.

[F. R. Doc. 48-5953; Filed, July 2, 1948; 8:45 a. m.]

## TITLE 42—PUBLIC HEALTH

### Chapter I—Public Health Service, Federal Security Agency

#### PART 21—COMMISSIONED OFFICERS

#### SUBPART Q—FOREIGN SERVICE ALLOWANCES

Effective July 1, 1948, Appendix A (13 F. R. 2992) is revised to read as follows:

##### FOREIGN SERVICE ALLOWANCE RATES

###### OFFICERS

###### Class I

| Station     |          |       | Travel |
|-------------|----------|-------|--------|
| Subsistence | Quarters | Total |        |
| None        | None     | None  | \$7.00 |

NOTE: The above allowances are applicable to all countries and places outside the continental United States not otherwise listed herein.

###### Class II

|        |        |        |        |
|--------|--------|--------|--------|
| \$2.55 | \$2.50 | \$5.05 | \$9.00 |
|--------|--------|--------|--------|

Czechoslovakia, Colombia (except Bogotá).

###### Class III

|        |        |        |        |
|--------|--------|--------|--------|
| \$2.55 | \$3.75 | \$6.30 | \$9.00 |
|--------|--------|--------|--------|

Hungary.

China (including Hong Kong).

FOREIGN SERVICE ALLOWANCE RATES—Con.  
OFFICERS—continued  
Class IV

| Station     |          |        | Travel |
|-------------|----------|--------|--------|
| Subsistence | Quarters | Total  |        |
| \$3.00      | \$0.75   | \$3.75 | \$7.00 |

Cuba (except Havana).  
Belgium.  
Costa Rica.  
Great Britain and North-  
ern Ireland (except Lon-  
don).  
Guatemala.  
Nicaragua.  
Chile (except Punta Are-  
nas).  
Paraguay.

Equador.  
Brazil (except Rio de  
Janeiro, Sao Paulo and  
Recife).  
Honduras.  
El Salvador.  
Dominican Republic.  
Surinam.  
Bolivia.  
Morocco.  
Peru.

## Class V

|        |        |        |        |
|--------|--------|--------|--------|
| \$3.00 | \$1.00 | \$4.00 | \$7.00 |
|--------|--------|--------|--------|

Afghanistan.  
Algeria.  
Alaska.  
Bermuda.  
Denmark.  
Ethiopia.  
Finland.  
Irish Free State.  
Italy (except Rome).  
Liberia (except Mon-  
rovia).

Netherlands.  
Norway.  
Recife, Brazil.  
Spain.  
Sweden.  
Tunisia.  
Trieste (free city of).  
Union of South Africa.  
Uruguay.

## Class VI

|        |        |        |        |
|--------|--------|--------|--------|
| \$3.75 | \$0.75 | \$4.50 | \$7.25 |
|--------|--------|--------|--------|

Burma (except Rangoon).

## Class VII

|        |        |        |        |
|--------|--------|--------|--------|
| \$3.75 | \$1.00 | \$4.75 | \$8.00 |
|--------|--------|--------|--------|

Portugal.

## Class VIII

|        |        |        |        |
|--------|--------|--------|--------|
| \$3.75 | \$1.50 | \$5.25 | \$8.00 |
|--------|--------|--------|--------|

Ceylon.  
Egypt (except Cairo).  
India.  
French Indo-China.  
Philippine Islands.

Mexico City.  
London.  
Siam.  
Pakistan (except Karachi).

## Class IX

|        |        |        |        |
|--------|--------|--------|--------|
| \$3.75 | \$2.00 | \$5.75 | \$9.00 |
|--------|--------|--------|--------|

Bogota, Colombia.

## Class X

|        |        |        |         |
|--------|--------|--------|---------|
| \$3.75 | \$3.00 | \$6.75 | \$10.00 |
|--------|--------|--------|---------|

Cairo, Egypt.

Switzerland.

## Class XI

|        |        |        |         |
|--------|--------|--------|---------|
| \$3.75 | \$4.00 | \$7.75 | \$11.00 |
|--------|--------|--------|---------|

Bulgaria.

Netherlands, East Indies.

## Class XII

|        |        |        |        |
|--------|--------|--------|--------|
| \$4.50 | \$1.50 | \$6.00 | \$9.00 |
|--------|--------|--------|--------|

Havana, Cuba.  
Monrovia, Liberia.

Syria.

## Class XIII

|        |        |        |         |
|--------|--------|--------|---------|
| \$5.25 | \$1.75 | \$7.00 | \$10.00 |
|--------|--------|--------|---------|

Iraq.  
Trans-Jordan.  
Palestine.

Rome, Italy.  
State of Israel.

FOREIGN SERVICE ALLOWANCE RATES—Con.  
OFFICERS—continued  
Class XIV

| Station     |          |        | Travel  |
|-------------|----------|--------|---------|
| Subsistence | Quarters | Total  |         |
| \$3.00      | \$1.00   | \$7.00 | \$10.00 |

Republic of Lebanon.  
Rangoon, Burma.  
Singapore.

Turkey.  
Malayan Union.  
Karachi, Pakistan.

## Class XV

|        |        |         |         |
|--------|--------|---------|---------|
| \$7.00 | \$3.00 | \$10.00 | \$15.00 |
|--------|--------|---------|---------|

None.

## Class XVI

|        |        |        |         |
|--------|--------|--------|---------|
| \$8.00 | \$3.00 | \$9.00 | \$12.00 |
|--------|--------|--------|---------|

Iceland.  
Yugoslavia.

Rumania.

## Class XVII

|      |        |        |        |
|------|--------|--------|--------|
| None | \$1.75 | \$1.75 | \$7.00 |
|------|--------|--------|--------|

Australia.

## Class XVIII

|        |      |        |        |
|--------|------|--------|--------|
| \$3.00 | None | \$3.00 | \$7.00 |
|--------|------|--------|--------|

Paris and Orly Field, France.

## Special Classification

|        |        |         |         |
|--------|--------|---------|---------|
| \$9.00 | \$5.00 | \$14.00 | \$18.00 |
|--------|--------|---------|---------|

Union of Soviet Socialist  
Republics.

|        |        |        |        |
|--------|--------|--------|--------|
| \$4.00 | \$2.00 | \$7.00 | \$7.00 |
|--------|--------|--------|--------|

Wake Island.

|        |        |         |         |
|--------|--------|---------|---------|
| \$3.25 | \$3.75 | \$12.00 | \$12.00 |
|--------|--------|---------|---------|

Greece (personnel not in receipt of diplomatic exchange rate).

NOTE: Greece (personnel in receipt of diplomatic exchange rate, allowances prescribed in Class I applicable).

|        |        |        |        |
|--------|--------|--------|--------|
| \$3.25 | \$3.75 | \$9.00 | \$9.00 |
|--------|--------|--------|--------|

Punta Arenas, Chile.

|        |        |         |         |
|--------|--------|---------|---------|
| \$3.75 | \$3.25 | \$10.00 | \$11.00 |
|--------|--------|---------|---------|

Poland (personnel not in receipt of diplomatic exchange rate).

NOTE: Poland (personnel in receipt of diplomatic exchange rate, allowances prescribed in Class I applicable).

|        |        |        |        |
|--------|--------|--------|--------|
| \$3.75 | \$3.25 | \$7.00 | \$7.00 |
|--------|--------|--------|--------|

Bahrain Island, Persian Gulf.

|        |        |        |        |
|--------|--------|--------|--------|
| \$3.75 | \$4.75 | \$3.00 | \$3.00 |
|--------|--------|--------|--------|

Rio de Janeiro, Brazil.  
Sao Paulo, Brazil.

Argentina.

|        |        |         |         |
|--------|--------|---------|---------|
| \$3.75 | \$5.25 | \$12.00 | \$15.00 |
|--------|--------|---------|---------|

Venezuela.

Dated: June 24, 1948.

[SEAL] R. C. WILLIAMS,  
Acting Surgeon General.

Approved: June 30, 1948:

OSCAR R. EWING,  
Federal Security Administrator.

[F. R. Doc. 48-5376; Filed, July 2, 1948;  
8:50 a. m.]

## TITLE 49—TRANSPORTATION AND RAILROADS

### Chapter I—Interstate Commerce Commission

[Rev. S. O. 775, Amdt. 3]

#### PART 95—CAR SERVICE

##### DEMURRAGE ON RAILROAD FREIGHT CARS

At a session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D. C., on the 29th day of June A. D. 1948.

Upon further consideration of Revised Service Order No. 775 (13 F. R. 2379) as amended (13 F. R. 2569, 2679) and good cause appearing therefor: *It is ordered, That:*

Section 95.775, *Demurrage on railroad freight cars*, of Revised Service Order 775, as amended, until further ordered, be and it is hereby suspended only to the extent it applies on refrigerator cars held while loaded with perishables.

*It is further ordered, That* this amendment shall become effective at 7:00 a. m., July 1, 1948, and a copy be served upon the State railroad regulatory bodies of each State, and upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order be given to the general public by depositing a copy in the office of the secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

(40 Stat. 101, sec. 402; 41 Stat. 476, sec. 4; 54 Stat. 901; 49 U. S. C. 1 (10)-(17))

By the Commission, Division 3.

[SEAL] W. P. BARTEL,  
Secretary.

[F. R. Doc. 48-5367; Filed, July 2, 1948;  
8:47 a. m.]

[Rev. S. O. 776, Amdt. 3]

#### PART 95—CAR SERVICE

##### CAR DEMURRAGE ON STATE BELT RAILROAD OF CALIFORNIA

At a session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D. C., on the 29th day of June A. D. 1948.

Upon further consideration of Revised Service Order No. 776 (13 F. R. 2380), as amended (13 F. R. 2570, 2679) and good cause appearing therefor: *It is ordered, That:*

## RULES AND REGULATIONS

Section 95.776, *Car demurrage on State Belt Railroad of California*, of Revised Service Order 776, as amended, until further ordered, be and it is hereby suspended only to the extent it applies on refrigerator cars while loaded with perishables.

*It is further ordered*, That this amendment shall become effective at 7:00 a. m., July 1, 1948, and a copy be served upon the California State Railroad Commission and upon the State Belt Railroad of California; and that notice of this order be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

(40 Stat. 101, sec. 402; 41 Stat. 476, sec. 4; 54 Stat. 901, 49 U. S. C. 1 (10)-(17))

By the Commission, Division 3.

[SEAL] W. P. BARTEL,  
Secretary.

[F. R. Doc. 48-5968; Filed, July 2, 1948;  
8:48 a. m.]

[S. O. 68, Amdt. 19]

## PART 95—CAR SERVICE

SUSPENSION OF FOLLOW-LOT RULE AND  
TWO-FOR-ONE RULE

At a session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D. C., on the 29th day of June A. D. 1948.

Upon further consideration of the provisions of Service Order No. 68 (8 F. R. 8513) as amended (8 F. R. 8513, 14224, 16265; 9 F. R. 7206, 14306; 10 F. R. 6040, 8142, 9720, 12090; 11 F. R. 562, 6983; 12 F. R. 46, 3837, 4719, 4886, 8774; 13 F. R. 3185) because of flood conditions and good cause appearing therefor: *It is ordered*, That:

Section 95.15, *Suspension of follow-lot rule and two-for-one rule*, of Service Order No. 68, as amended, be, and it is hereby, suspended on flat cars loaded with trailers shipped to points in the States of Oregon and Washington, also within and between points in the States of Oregon and Washington only.

(e) *Expiration date*. This amendment shall expire at 11:59 p. m., July 31, 1948, unless otherwise modified, changed, suspended or annulled by order of this Commission.

*It is further ordered*, That this amendment shall become effective at 12:01 a. m., June 30, 1948; that a copy of this order and direction be served upon the State railroad regulatory bodies of each State, and upon the Association of American Railroads, Car Service Division, as Agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

(40 Stat. 101, sec. 402; 41 Stat. 476, sec. 4; 54 Stat. 901; 49 U. S. C. 1 (10)-(17))

By the Commission, Division 3.

[SEAL] W. P. BARTEL,  
Secretary.

[F. R. Doc. 48-5969; Filed, July 2, 1948;  
8:48 a. m.]

[S. O. 816, Amdt. 1]

## PART 95—CAR SERVICE

DETENTION TIME ON RAILROAD CARS  
SUSPENDED IN NORTHWEST

At a session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D. C., on the 29th day of June A. D. 1948.

Upon further consideration of Service Order No. 816 (13 F. R. 3050) and good cause appearing therefor: *It is ordered*, That:

Section 95.816, *Detention time on railroad cars suspended in Northwest*, of Service Order No. 816, be, and it is hereby, amended by substituting the following paragraph (e) for paragraph (e) thereof:

(e) *Expiration date*. This order shall expire at 7:00 a. m., July 20, 1948, unless otherwise modified, changed, suspended or annulled by order of this Commission.

*It is further ordered*, That this amendment shall become effective at 7:00 a. m., July 1, 1948; that a copy of this order and direction be served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

(40 Stat. 101, sec. 402, 418; 41 Stat. 476, 485, sec. 4, 10; 54 Stat. 901, 912; 49 U. S. C. 1 (10)-(17) 15 (4))

By the Commission, Division 3.

[SEAL] W. P. BARTEL,  
Secretary.

[F. R. Doc. 48-5971; Filed, July 2, 1948;  
8:48 a. m.]

[S. O. 817, Amdt. 1]

## PART 95—CAR SERVICE

## REDUCED RATES ON GIANT REFRIGERATOR CARS

At a session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D. C., on the 29th day of June A. D. 1948.

Upon further consideration of Service Order No. 817 (13 F. R. 3320) and good cause appearing therefor: *It is ordered*, That:

Section 95.817, *Reduced rates on Giant type refrigerator cars*, of Service Order No. 817 (13 F. R. 3320), be, and it is hereby amended by substituting the fol-

lowing paragraph (c) for paragraph (c) thereof:

(c) *Cars exempt from order* The provisions of this order shall not be construed to include the following cars:

| Initials | Numbers, inclusive |
|----------|--------------------|
| BRE      | 300 to 329         |
| WFE      | 400 to 500         |
| FOBX     | 600 to 609         |
| URT      | 89000 to 89049     |
| FOBX     | 750 to 799         |

*Tariff provisions suspended*. The operation of all tariff rules, regulations, or charges insofar as they conflict with this order is hereby suspended.

- *Announcement of suspension*. Each railroad, or its agent, shall file and post a supplement to each of its tariffs affected hereby, substantially in the form authorized in Rule 9 (k) of the Commission's Tariff Circular No. 20 (§ 141.9 (k) of this chapter) announcing the suspension of the operation of any of the provisions therein, and establishing the substituted provisions set forth.

*Effective date*. This amendment shall become effective at 12:01 a. m., June 30, 1948.

*It is further ordered*, That a copy of this amendment and direction be served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

(40 Stat. 101, sec. 402; 41 Stat. 476, 485; sec. 4, 10; 54 Stat. 901, 912; 49 U. S. C. 1 (10)-(17), 15 (4))

By the Commission, Division 3.

[SEAL] W. P. BARTEL,  
Secretary.

[F. R. Doc. 48-5970; Filed, July 2, 1948;  
8:48 a. m.]

[Rev. S. O. 396]

## PART 95—CAR SERVICE

PERISHABLES; RESTRICTIONS ON  
RECONSIGNING

At a session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D. C., on the 29th day of June A. D. 1948.

It appearing, that carload shipments of perishables are being held at points in the United States for diversion, reconsignment or disposition orders, thereby impeding the use, control, supply, movement, distribution, exchange, interchange, and return of cars; in the opinion of the Commission an emergency exists in all sections of this country requiring immediate action to prevent a shortage of equipment and congestion of traffic. It is ordered, that:

§ 95.396 *Perishables; restrictions on holding for diversion, reconsignment or*

*disposition*—(a) *Definitions.* (1) The term "perishables" as used in this order means fruits and vegetables, fresh or green, other than cold pack, including citrus fruit; potatoes; onions; bananas; berries, other than cold pack; cantaloupes; coconuts; corn, fresh or green, other than cold pack; cranberries; melons; and pineapples.

(2) The term "arrival" as used in this section means the actual time a refrigerator car loaded with perishables is made available for inspection; is placed on a hold track for diversion or reconsignment; or is actually or constructively placed for unloading. Whenever any one of the three events occur the other two shall have no application to that car at that point.

(b) *Holding of cars for diversion, reconsignment, or disposition orders, restricted.* Carload shipments of perishables held in refrigerator cars beyond two days (48 hours) exclusive of Saturdays, Sundays and bank holidays, after the first seven a. m. (7:00 a. m.) after arrival of the car at any point prior to delivery at the ultimate destination, and reforwarded upon request of consignor, consignee, or owner, will be subject to the basis in Note 1 of this paragraph.

NOTE 1: The full local or joint (not proportional, reshipping or trans-shipment) rate to the reforwarding point, plus the tariff (not proportional reshipping or trans-shipment) rate from the reforwarding point, in effect on the date of shipment from point of origin plus all other applicable charges previously or subsequently accruing.

(c) *Arrival notice to original shipper.* Any common carrier by railroad subject to the Interstate Commerce Act shall, on request of original shipper by endorsement on the bill of lading, after arrival of a car subject to this order at the first reconsigning point where such car is held, immediately send notice of arrival of the car at such point by collect telegram to the shipper, or such agent as he may

designate in the endorsement on the bill of lading, at any point specified in the bill of lading endorsement. This provision does not change the computation of time in paragraph (b) of this order, nor does it authorize or require the sending of the arrival notice provided for above to anyone but the original shipper or such designated agent.

(d) *Application.* (1) The provisions of this order shall apply to intrastate and foreign shipments as well as to interstate shipments transported by any common carrier by railroad subject to the Interstate Commerce Act.

(2) The provisions of this order shall apply to carload shipments of perishables in transit on and after the effective date of this order.

(3) This order shall apply to a refrigerator car loaded with perishables stopped for partial unloading at a hold or reconsigning point when the order for the "stop for partial unloading" of such car is received by the carriers subsequent to the arrival of such car at the hold or reconsigning point.

(4) The provisions of this order shall not apply to shipments of perishables subject to Rules S-12 (Items Nos. 8180 through 8330) and S-13 (Item No. 8335) of Agent W. S. Curlett's Freight Tariff No. 116-B, I. C. C. No. A-783, "Lighterage and Terminal Regulations in New York Harbor and Vicinity," supplements thereto or reissues thereof.

(e) *Service orders.* Holding for diversion, reconsignment, or disposition orders, under the provisions of this order, shall be subject and limited to the number of diversions, reconsignments, changes in consignee, and changes in place of unloading as authorized or permitted by Service Order No. 70 (8 F. R. 8515) as amended.

(f) *Tariff provisions suspended; announcement required.* The operation of all tariff rules and regulations insofar as they conflict with the provisions of this

order is hereby suspended and each railroad subject to this order, or its agent, shall publish, file, and post a supplement to each of its tariffs affected hereby, in substantial accordance with the provisions of Rule 9 (k) of the Commission's Tariff Circular No. 20 (§ 141.9 (k) of this chapter) announcing such suspension.

(g) *Special and general permits.* The provisions of this order shall be subject to any special or general permits issued by the Director of the Bureau of Service, Interstate Commerce Commission, Washington, D. C., to meet exceptional circumstances.

(h) *Effective date.* This order shall become effective at 12:01 a. m., July 1, 1948.

(i) *Expiration date.* This order shall expire at 11:59 p. m., October 10, 1948, unless otherwise modified, changed, suspended or annulled by order of this Commission.

It is further ordered, that this order shall vacate and supersede Service Order No. 396 on the effective date hereof; that a copy of this order and direction shall be served upon each State railroad regulatory body and upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

(40 Stat. 101, sec. 402; 41 Stat. 476, sec. 4; 54 Stat. 901; 49 U. S. C. 1 (10)-(17))

By the Commission, Division 3.

[SEAL]

W. P. BARTEL,  
Secretary.

[F. R. Doc. 48-5372; Filed, July 2, 1948; 8:48 a. m.]

## PROPOSED RULE MAKING

### DEPARTMENT OF AGRICULTURE

#### Production and Marketing Administration

[P. & S. Docket No. 1558]

MISSISSIPPI VALLEY STOCKYARDS, INC.

#### NOTICE OF PETITION FOR MODIFICATION OF TEMPORARY RATES

Pursuant to the provisions of the Packers and Stockyards Act, 1921, as amended (7 U. S. C. 181 et seq.) an order was issued in this proceeding on March 17, 1948 (7 A. D. 196). This order continued in effect, to and including April 7, 1949, the temporary rates and charges of respondent then in effect and authorized the addition of a separate category for bulls.

By petition filed on June 16, 1948, the respondent has requested permission to amend its tariff so that it may be authorized to assess the charges appearing under the heading "Proposed Rates" below:

|   | Present rates | Proposed rates |
|---|---------------|----------------|
| Yardage on all classes of original receipts and re-issues in commission division: |               |                |
| Bulls.....  | \$1.69        | Partial \$1.60 |
| Cattle.....   | .13           | .03            |
| Calves.....   | .03           | .03            |
| Hogs.....   | .03           | .03            |
| Sheep and goats.....  | .12           | .03            |
| Horses and mules.....   | .03           | .03            |
| Livestock consigned direct to packers:  |               |                |
| Bulls.....  | .03           | .03            |
| Cattle.....   | .03           | .03            |
| Calves.....   | .03           | .03            |
| Hogs.....   | .03           | .03            |
| Sheep and goats.....  | .03           | .03            |

If granted, an authorization to assess the proposed rates will produce additional revenue for the respondent and increase marketing costs to shippers. Accordingly, notice of the filing of the petition is given to the public.

All interested persons who desire to be heard upon the matter shall notify the Hearing Clerk, United States Department of Agriculture, Washington 25, D. C., within 15 days after the publication date of this notice.

Done at Washington, D. C., this 29th day of June 1948.

[SEAL]

H. E. RAEED,  
Director, Livestock Branch Pro-  
duction and Marketing Ad-  
ministration.

[F. R. Doc. 48-5373; Filed, July 2, 1948; 8:52 a. m.]



## PROPOSED RULE MAKING

## [7 CFR, Part 29]

## TOBACCO INSPECTION

## ANNOUNCEMENT OF REFERENDUM IN CONNECTION WITH PROPOSED DESIGNATION UNDER TOBACCO INSPECTION ACT OF THE TOBACCO AUCTION MARKET OF CLAXTON, GA.

Pursuant to the authority vested in the Secretary of Agriculture by The Tobacco Inspection Act (49 Stat. 731, 7 U. S. C. 511 et seq.) and in accordance with the applicable regulations issued thereunder by the Secretary, notice is given that a referendum of tobacco growers will be conducted on July 7 and 8, 1948, to determine whether two-thirds of the growers voting in said referendum favor the designation of the Claxton, Georgia, tobacco auction market for free and mandatory inspection under the act.

Growers who sold tobacco at auction on the Claxton, Georgia, market during the 1947 marketing season shall be eligible to vote in said referendum. Ballots for use in said referendum will be mailed to all eligible voters insofar as their names and addresses are known to the Secretary. Eligible voters who do not receive ballots by mail may obtain ballots from their local county agent or from the local office of the County-Agricultural Conservation Association. All completed ballots shall be mailed to the Tobacco Branch, Production and Marketing Administration, United States Department of Agriculture, P. O. Box 549, Raleigh, North Carolina, and in order to be counted in said referendum, must be postmarked not later than midnight, July 8, 1948.

Issued this 1st day of July 1948.

[SEAL]

CHARLES F. BRANNAN,  
Secretary of Agriculture.

[F. R. Doc. 48-6025; Filed, July 2, 1948;  
9:01 a. m.]

## [7 CFR, Part 801]

## ADMINISTRATION OF SUGAR QUOTAS

## NOTICE OF PROPOSED RULE MAKING

Notice is hereby given that the Secretary of Agriculture, pursuant to the authority vested in him by the Sugar Act of 1948 (61 Stat. 922), is considering the issuance of an amendment to General Sugar Regulations, Series 3, No. 2, as amended (13 F. R. 127, 1076, 2063) relating to the administration of sugar quotas.

The proposed amendment will add the following paragraph (e) to § 801.52:

§ 801.52 *Entry of sugar into the continental United States.* \* \* \*

(e) Sugar or liquid sugar entered into the continental United States under this section shall not be used for a purpose other than the purpose stated in the application for entry (Form SU-3) required by paragraph (a) of this section without the prior approval of the Secretary.

All persons who desire to submit written data, views, advice or arguments for consideration in connection with the proposed amendment shall file the same in quadruplicate with the Director of the Sugar Branch, Production and Marketing Administration, United States De-

partment of Agriculture, Washington 25, D. C., not later than fifteen days after the publication of this notice in the FEDERAL REGISTER.

Issued at Washington, D. C., this 29th day of June 1948.

[SEAL]

RALPH S. TRIGG,  
Administrator, Production  
and Marketing Administration.

[F. R. Doc. 48-5954; Filed, July 2, 1948;  
8:45 a. m.]

## [7 CFR, Ch. IX]

[Docket No. AO-195]

## KNOXVILLE, TENNESSEE, MILK MARKETING AREA

## NOTICE OF HEARING ON HANDLING OF MILK; PROPOSED MARKETING AGREEMENT AND ORDER REGULATING THE HANDLING OF MILK IN THE KNOXVILLE, TENNESSEE, MARKETING AREA

Pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, (7 U. S. C., 601 et seq.), and in accordance with the applicable rules of practice and procedure, as amended, (7 CFR, Supps. 900.1 et seq., 12 F. R. 1159, 4904) notice is hereby given of a public hearing to be held at the County Court House, Knoxville, Tennessee, beginning at 9:00 a. m., e. s. t., July 21, 1948. This public hearing is for the purpose of receiving evidence with respect to a proposed marketing agreement and order, regulating the handling of milk in the Knoxville, Tennessee, marketing area the provisions of which are hereinafter set forth, and any modifications thereof. The proposed marketing agreement and order have not received the approval of the Secretary of Agriculture, and at the hearing evidence will be received relative to all aspects of the marketing conditions which are dealt with by the proposed marketing agreement and order and any modification thereof. The provisions of the proposals for a marketing agreement and order, heretofore filed with the undersigned, are as follows:

Marketing agreement and order proposed by the Knoxville Milk Producers Association, Knoxville, Tennessee:

SECTION 1. *Definitions.* The following terms shall have the following meanings:

(a) "Act" means Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.)

(b) "Secretary" means the Secretary of Agriculture or any officer or employee of the United States authorized to exercise the powers and to perform the duties of the Secretary of Agriculture.

(c) "Department of Agriculture" means the United States Department of Agriculture or any other Federal agency as may be authorized by act of Congress or by executive order to perform the price reporting functions of the United States Department of Agriculture.

(d) "Person" means any individual, partnership, corporation, association, or any other business unit.

(e) "Knoxville, Tennessee, marketing area" hereinafter called the "marketing

area" means all the territory within Knox County, Tennessee.

(f) "Cooperative association" means any cooperative marketing association of producers which the Secretary determines to be qualified pursuant to the provisions of the act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act," and is authorized by its members to make collective sales or to market milk or its products for the producers thereof.

(g) "Producer-handler" means any person who is both a producer and a handler who receives no milk from other producers.

(h) "Delivery period" means a period from the first to the 15th day, inclusive, of a calendar month and a period from the 16th to the last day, inclusive of a calendar month.

(i) "Fluid milk plant" means the premises and the portions of the building and facilities used in the receipt and processing or packaging of producer milk, all, or a portion, of which is disposed of from such plant within the delivery period as Class I milk in the marketing areas.

(j) "Producer" means any person who produces milk under a dairy farm inspection permit issued by the appropriate health authority in the marketing area, and whose milk conforms to the appropriate health standards for milk for fluid consumption, which milk is: (1) Received at a fluid milk plant, or (2) diverted from a fluid milk plant to any milk distributing or milk manufacturing plant: *Provided*, That any such milk so diverted shall be deemed to have been received by the handler for whose account it was diverted.

(k) "Handler" means (1) any person who operates a fluid milk plant, or (2) any cooperative association of producers with respect to producer milk diverted by it from a fluid milk plant to any milk distributing or milk manufacturing plant for the account of such association.

(l) "Nonfluid milk plant" means any milk manufacturing, processing, or bottling plant other than a fluid milk plant described in paragraph (i) of this section.

(m) "Other source milk" means all skim milk and butterfat in any form received from a source other than a producer or handler, and all skim milk and butterfat transferred in any form by a producer-handler to any handler.

(n) "Producer milk" means milk produced by one or more producers.

SEC. 2. *Market administrator—(a) Designation.* The agency for the administration hereof shall be a market administrator, selected by the Secretary, who shall be entitled to such compensation as may be determined by, and shall be subject to removal at the discretion of, the Secretary.

(b) *Powers.* The market administrator shall have the following powers with respect to this order:

(1) To administer its terms and provisions;

(2) To receive, investigate, and report to the Secretary complaints of violations;

(3) To make rules and regulations to effectuate its terms and provisions; and

(4) To recommend amendments to the Secretary.

(c) *Duties.* The market administrator shall perform all duties necessary to administer the terms and provisions of this order, including, but not limited to, the following:

(1) Within 45 days following the date on which he enters upon his duties, or such lesser period as may be prescribed by the Secretary, execute and deliver to the Secretary a bond, effective as of the date on which he enters upon his duties, and conditioned upon the faithful performance of such duties, in an amount and with surety thereon satisfactory to the Secretary.

(2) Employ and fix the compensation of such persons as may be necessary to enable him to administer its terms and provisions;

(3) Obtain a bond in a reasonable amount and with reasonable surety thereon covering each employee who handles funds entrusted to the market administrator;

(4) Pay, out of the funds provided by section 9: (i) The cost of his bond and of the bonds of his employees, (ii) his own compensation, and (iii) all other expenses except those incurred under section 10, necessarily incurred by him in the maintenance and functioning of his office and in the performance of his duties;

(5) Keep such books and records as will clearly reflect the transactions provided for herein, and, upon request, by the Secretary, surrender the same to such other person as the Secretary may designate;

(6) Publicly disclose to handlers and producers, unless otherwise directed by the Secretary, the name of any person who, within 5 days after the day upon which he is required to perform such acts, has not made (i) reports pursuant to section 3 (a) or (ii) payments pursuant to section 8;

(7) Submit his books and records to examination by the Secretary and furnish such information and reports as may be required by the Secretary;

(8) Prepare and make available for the benefit of producers, consumers, and handlers, general statistics and information concerning the operation hereof as are necessary and essential to the proper functioning of this marketing order;

(9) Verify all reports and payments by each handler by audit, if necessary, of such handler's records and the records of any other handler or person upon whose utilization the classification of skim milk and butterfat for such handler depends; and

(10) Publicly announce the prices and butterfat differentials determined for each delivery period as follows: (i) On or before the 4th day after the end of such delivery period, the prices and butterfat differentials for each class computed pursuant to section 5; and (ii) on or before the 8th day after the end of such delivery period, the uniform price, computed pursuant to section 7 (b) and the butterfat differentials to be paid pursuant to section 8 (f)

*Sec. 3. Reports, records, and facilities—(a) Delivery period reports of re-*

*ceipts and utilization.* On or before the 4th day after the end of each delivery period each handler, except a producer-handler, shall report to the market administrator in the detail and on forms prescribed by the market administrator:

(1) The quantities of skim milk and butterfat contained in (i) all receipts at his fluid milk plant(s) within such delivery period of (a) producer milk, (b) milk, skim milk, cream, and milk products from other handlers, and (c) other source milk; and (ii) milk diverted pursuant to section 1 (j) (2) and

(2) The utilization of all skim milk and butterfat required to be reported under subparagraph (1) of this paragraph.

(b) *Other reports.* Each handler shall report to the market administrator, in the detail and on forms prescribed by the market administrator as follows, except that each producer-handler shall make reports to the market administrator at such time and in such manner as the market administrator may request:

(1) On or before the 10th day after the end of each delivery period, if requested by the market administrator, his producer pay roll for such delivery period which shall show for each producer (i) the total pounds of milk delivered with the average butterfat test thereof, and (ii) the net amount of such handler's payment to such producer together with the price, deductions, and charges involved.

(2) On or before the first day other source milk is received his intention to receive such milk, and on or before the last day such milk is received his intention to discontinue such receipts.

(c) *Records and facilities.* Each handler shall keep adequate records of receipts and utilization of skim milk and butterfat and shall, during the usual hours of business, make available to the market administrator or his representative such records and facilities as will enable the market administrator to (1) verify the receipts and utilization of all skim milk and butterfat, and in case of errors or omissions, ascertain the correct figures; (2) weigh, sample, and test for butterfat content all milk and milk products handled; (3) verify payments to producers; and (4) make such examinations of operations, equipment, and facilities, as the market administrator deems necessary.

*Sec. 4. Classification of milk—(a) Basis of classification.* All skim milk and butterfat contained in (i) milk, skim milk, cream, and milk products received at a fluid milk plant and (ii) producer milk diverted pursuant to section 1 (j) (2) shall be classified by the market administrator in the classes set forth in paragraph (b) of this section.

(b) *Classes of utilization.* Subject to the conditions set forth in paragraphs (c) (d) (e) and (f) of this section, the classes of utilization shall be as follows:

(1) Class I milk shall be all skim milk and butterfat (i) disposed of in fluid form as milk, cream and cream products (except ice cream mix) skim milk, buttermilk, flavored milk, and flavored milk drinks, and (ii) not specifically accounted for as Class II milk.

(2) Class II milk shall be all skim milk and butterfat: (i) Used to produce any item other than those specified in subparagraph (1) of this paragraph; (ii) disposed of for livestock feed; (iii) in actual plant shrinkage of skim milk and butterfat received in producer milk, but not in excess of one percent of such receipts of skim milk and butterfat, respectively, and (iv) in actual plant shrinkage of skim milk and butterfat, respectively, in other source milk received.

(c) *Responsibility of handlers and reclassification of milk.* (1) All skim milk and butterfat shall be classified as Class I milk unless the handler who first receives such skim milk or butterfat proves to the market administrator that such skim milk or butterfat should be classified in Class II.

(2) Any skim milk or butterfat classified (except that transferred to a producer-handler) in one class shall be reclassified if used or reused by such handler or by another handler in another class.

(d) *Transfers.* Skim milk or butterfat disposed of by a handler shall be classified:

(1) As Class I milk: if transferred in the form of any item specified in paragraph (b) (1) of this section to a fluid milk plant of another handler (except a producer-handler) unless utilization in Class II is mutually indicated in writing to the market administrator by both handlers on or before the 4th day after the end of the delivery period within which such transaction occurred.

(2) As Class I milk if transferred in the form of any item specified in paragraph (b) (1) of this section.

(3) As Class I milk if transferred in the form of any item specified in paragraph (b) (1) of this section to a non-fluid milk plant unless proof, satisfactory to the market administrator, is furnished of Class II utilization.

(e) *Computation of skim milk and butterfat in each class.* For each delivery period, the market administrator shall correct for mathematical and other obvious errors the delivery period report submitted by each handler and compute the total pounds of skim milk and butterfat, respectively, in Class I milk and Class II milk for such handler.

(f) *Allocation of skim milk and butterfat classified.* (1) The pounds of skim milk remaining in each class after making the following computations for each handler for each delivery period shall be the pounds in such class allocated to producer milk received by such handler:

(i) Subtract allowable shrinkage of skim milk from the total pounds of skim milk in Class II milk;

(ii) Subtract from the pounds of skim milk remaining in each class, in series beginning with Class II, the pounds of skim milk in other source milk;

(iii) Subtract from the pounds of skim milk remaining in each class the pounds of skim milk received from other handlers, and assigned to such class pursuant to paragraph (d) (1) of this section;

(iv) Add to the pounds of skim milk remaining in Class II milk the pounds of skim milk subtracted pursuant to subdi-

vision (1) of this subparagraph; or if the pounds of skim milk remaining in all classes exceed the pounds of skim milk in producer milk, subtract such excess from the pounds of skim milk remaining in each class, in series beginning with Class II.

(2) Allocate the pounds of butterfat in each class to producer milk in the same manner prescribed for skim milk in subparagraph (1) of this paragraph.

(3) Add the pounds of skim milk and the pounds of butterfat allocated to producer milk in each class, respectively, as computed pursuant to subparagraphs (1) and (2) of this paragraph, and determine the percentage of butterfat in each class.

**SEC. 5. Minimum prices—(a) Basic formula price.** The basic formula price per hundredweight (computed to the nearest tenth of a cent) to be used in determining the price for Class I milk pursuant to paragraph (b) of this section shall be the highest of the prices per hundredweight for milk of 4.0 percent butterfat content computed pursuant to subparagraphs (1) (2) or (3) of this paragraph.

(1) To the arithmetical average of the basic (or field) prices reported to have been paid or to be paid per hundredweight for milk of 3.5 percent butterfat content received from farmers during the delivery period at the following plants or places for which prices have been reported to the market administrator or to the Department of Agriculture on or before the 6th day after the end of the delivery period by the companies listed below:

*Companies and Location*

Borden Co., Black Creek, Wis.  
Borden Co., Greenville, Wis.  
Borden Co., Mount Pleasant, Mich.  
Borden Co., New London, Wis.  
Borden Co., Orfordville, Wis.  
Carnation Co., Berlin, Wis.  
Carnation Co., Jefferson, Wis.  
Carnation Co., Chilton, Wis.  
Carnation Co., Oconomowoc, Wis.  
Carnation Co., Richland Center, Wis.  
Carnation Co., Sparta, Mich.  
Pet Milk Co., Belleville, Wis.  
Pet Milk Co., Coopersville, Mich.  
Pet Milk Co., Hudson, Mich.  
Pet Milk Co., New Glarus, Wis.  
Pet Milk Co., Wayland, Mich.  
White House Milk Co., Manitowoc, Wis.  
White House Milk Co., West Bend, Wis.

add an amount computed by multiplying the butterfat differential computed pursuant to section 8 (f) (1) by 5.

(2) The price per hundredweight computed as follows:

(i) Multiply by 6 the average daily wholesale price per pound of 92-score butter in the Chicago market, as reported by the Department of Agriculture during the delivery period;

(ii) Add an amount equal to 2.4 times the arithmetical average of the weekly prevailing price per pound of "Twins" during the delivery period on the Wisconsin Cheese Exchange at Plymouth, Wisconsin: *Provided*, That if the price of "Twins" is not quoted on such Exchange, the weekly prevailing price per pound of "Cheddars" shall be used; and

(iii) Divide by 7, add 30 percent thereof, and then multiply by 4.

(3) The price per hundredweight computed as follows: Multiply by 4.0 the arithmetical average of daily wholesale prices per pound of 92-score butter in the Chicago market, as reported by the Department of Agriculture during the delivery period, add 20 percent thereof, and add to such sum  $3\frac{3}{4}$  cents for each full  $\frac{1}{2}$  cent that the arithmetical average of carlot prices per pound of non-fat dry milk solids (not including that specifically designated animal feed) spray and roller process f. o. b. Chicago area manufacturing plants, as reported by the Department of Agriculture during the delivery period, is above 5 cents.

(b) *Class prices.* Subject to the provisions of paragraph (c) of this section, each handler shall pay producers, at the time and in the manner set forth in section 8, not less than the prices per hundredweight computed as follows for the respective quantities of Class I milk and Class II milk computed pursuant to section 4 (f)

(1) *Class I milk.* The price for Class I milk shall be the basic formula prices plus \$1.40 in December, January, February, and March; \$1.30 in April, May, June, and July; \$1.50 in August, September, October, and November: *Provided*, That from the effective date hereof to and including March 1949, the price for Class I milk shall not be less than \$5.50 per hundredweight.

(2) *Class II milk.* The price for Class II milk shall be the higher of the prices paid per hundredweight for milk of 4.0 percent butterfat content by the Pet Milk Company plant at Greeneville, Tennessee, and the Scott Cheese Company plant at Sweetwater, Tennessee: *Provided*, That the Class II price shall not be less than the price computed in accordance with the formula set forth in section 5 (a) (3)

(c) *Butterfat differential to handlers.*

(1) If the weighted average butterfat test of that portion of producer milk which is classified, respectively in any class of utilization for a handler, pursuant to section 4 (f) is more than 4.0 percent, shall be added to the price for such class of utilization, for each one-tenth of 1 percent that such weighted average butterfat test is above 4.0 percent, a butterfat differential as follows:

Class I milk: Multiply by 1.4 the average daily wholesale price per pound of 92-score butter in the Chicago market, as reported by the Department of Agriculture during the delivery period, and divide the result by 10.

Class II milk: Multiply by 1.2 the average daily wholesale price per pound of 92-score butter in the Chicago market, as reported by the Department of Agriculture during the delivery period and divide the result by 10.

(2) If the weighted average butterfat test of that portion of producer milk which is classified, respectively, in any class of utilization for a handler, pursuant to section 4 (f), is less than 4.0 percent, there shall be subtracted from the price for such class of utilization, for each one-tenth of 1 percent that such weighted average butterfat test is below 4.0 percent, a butterfat differential of 5 cents.

(d) *Location differential to handlers.* If milk is first received from producers at a plant located outside the marketing

area which is maintained and operated for the purpose of receiving and cooling milk prior to its transportation to a handler's fluid milk plant, 10 cents per hundredweight shall be deducted from the class prices of such milk by the handler.

**SEC. 6. Application of provisions; producer-handlers.** Sections 4, 5, 7, 9, and 10 shall not apply to producer-handlers.

**SEC. 7. Determination of uniform price—(a) Computation of value of milk.** The value of producer milk received during each delivery period by each handler shall be a sum of money computed by the market administrator by multiplying the pounds of such milk in each class for the delivery period by the applicable class price and adding together the resulting amounts.

(b) *Computation of the uniform price.* For each delivery period, the market administrator shall compute the uniform price per hundredweight for milk, on the basis of 4.0 percent butterfat content, received from producers as follows:

(1) Combine into one total the values computed pursuant to paragraph (a) of this section for all handlers who made the reports prescribed by Section 3 (a) for such delivery period, except those in default of payments required pursuant to Section 8 (c) for the preceding delivery period;

(2) Add, if total deductions pursuant to Section 8 (f) (2) exceed total additions pursuant to Section 8 (f) (1), or subtract, if the total deductions are less than the total additions, an amount equal to the difference between such totals;

(3) Add an amount representing the cash balance on hand in the producer-settlement fund, less the total amount of contingent obligations to handlers pursuant to Section 8 (d)

(4) Divide the resulting amount by the total hundredweight of producer milk included in these computations; and

(5) Subtract not less than 4 cents nor more than 5 cents for the purpose of retaining in the producer-settlement fund a cash balance to provide against errors in reports and payments or delinquencies in payments by handlers. This result shall be known as the "uniform price" per hundredweight for such delivery period for producer milk containing 4.0 percent butterfat, f. o. b., fluid milk plant.

(c) *Notification of handlers.* On or before the 8th day after the end of each delivery period, the market administrator shall mail to each handler, at his last known address, a statement showing:

(1) The amount and value of his producer milk in each class and the total thereof;

(2) The uniform price computed pursuant to paragraph (b) of this section and the butterfat differentials computed pursuant to section 8 (f) and

(3) The amounts to be paid by such handler pursuant to sections 8 (c), 9, and 10.

**SEC. 8. Payments to producers—(a) Time and method of payment.** On or before the 12th day after the end of each delivery period, each handler shall make payment to each producer, for milk received from such producer during such delivery period, at not less than the uni-

form price per hundredweight computed pursuant to section 7(b) subject to the following adjustments: (i) The butterfat differential pursuant to paragraph (f) of this section, (ii) the location differential pursuant to paragraph (g) of this section, (iii) less marketing service deductions pursuant to section 10, (iv) less deductions authorized by the producer, and (v) any error in calculating payment to such individual producer for past delivery periods. If by such date such handler has not received full payment for such delivery period pursuant to paragraph (d) of this section, he may reduce uniformly per hundredweight for all producers his payments pursuant to this paragraph by an amount not in excess of the per hundredweight reduction in payment from the market administrator; however, the handler shall make such balance of payment to those producers to whom it is due on or before the date for making payments pursuant to this paragraph next following that on which such balance of payment is received from the market administrator.

(b) *Producer-settlement fund.* The market administrator shall establish and maintain a separate fund known as the "producer-settlement fund" into which he shall deposit all payments made by handlers pursuant to paragraphs (c) and (e) of this section, and out of which he shall make all payments pursuant to paragraphs (d) and (e) of this section: *Provided*, That payments due to any handler shall be offset by payments due from such handler.

(c) *Payments to the producer-settlement fund.* On or before the 10th day after the end of each delivery period, each handler shall pay to the market administrator any amount by which the total value of his milk computed pursuant to section 7 (a) for such delivery period is greater than an amount computed by multiplying the hundredweight of milk received from producers during the delivery period by the uniform price adjusted for the butterfat differential provided for in paragraph (f) of this section.

(d) *Payments out of the producer-settlement fund.* On or before the 10th day after the end of each delivery period, the market administrator shall pay to each handler, for payment to producers any amount by which the total value of his milk computed pursuant to section 7 (a) for such delivery period is less than an amount computed by multiplying the hundredweight of milk received from producers during the delivery period by the uniform price adjusted for the butterfat differential provided for in paragraph (f) of this section. If at such time the balance in the producer-settlement fund is insufficient to make all payments pursuant to this paragraph, the market administrator shall reduce uniformly such payments and shall complete such payments as soon as the necessary funds are available.

(e) *Adjustment of errors in payment.* Whenever verification by the market administrator of payments by any handler discloses errors made in payments to the producer-settlement fund pursuant to paragraph (c) of this section, the market administrator shall promptly bill such handler for any unpaid amount and

such handler shall, within 15 days, make payment to the market administrator of the amount so billed. Whenever verification discloses that payment is due from the market administrator to any handler, pursuant to paragraph (d) of this section, the market administrator shall, within 15 days, make such payment to such handler. Whenever verification by the market administrator of the payment by a handler to any producer for milk received by such handler discloses payment of less than is required by this section, the handler shall pay such balance due such producer not later than the time of making payment to producers next following such disclosure.

(f) *Butterfat differential to producers.*

(1) If, during the delivery period, any handler has received from any producer milk having an average butterfat content above 4.0 percent, such handler in making payments prescribed in paragraph (a) (2) of this section, shall add to the uniform price per hundredweight paid to such producer for each one-tenth of 1 percent that the average butterfat content of such milk is above 4.0 percent not less than an amount computed as follows: multiply by 1.2 the average daily wholesale price per pound of 92-score butter in the Chicago market, as reported by the Department of Agriculture during the delivery period, and divide the result by 10, and then adjust to the nearest one-tenth of a cent.

(2) If, during the delivery period, any handler has received from any producer, milk having an average butterfat content below 4.0 percent, such handler, in making payments prescribed in paragraph (a) (2) of this section, shall deduct from the uniform price per hundredweight for each one-tenth of 1 percent that the average butterfat content of such milk is below 4.0 percent not more than 5 cents.

(g) *Location differential to producers.* If milk is first received from producers at a plant located outside the marketing area which is maintained and operated for the purpose of receiving and cooling milk prior to its transportation to a handler's fluid milk plant, 10 cents may be deducted from the uniform price per hundredweight paid to such producers.

(h) *Statement to producers.* In making payments required by paragraph (a) (2) of this section each handler shall furnish each producer with a supporting statement in such form that it may be retained by the producer, which shall show:

(1) The delivery period and the identity of the handler and of the producer;

(2) The total pounds and the average butterfat content of milk delivered by the producer;

(3) The minimum rate or rates at which payment to the producer is required under the provisions of this section;

(4) The rate which is used in making the payment if such rate is other than the applicable minimum;

(5) The amount or the rate per hundredweight of each deduction claimed by the handler, including any deduction claimed under section 10, together with

a description of the respective deductions; and

(6) The net amount of payment to the producer.

Sec. 9. *Expense of administration.* As his pro rata share of the expense of the administration hereof, each handler shall pay to the market administrator, on or before the 15th day after the end of each delivery period, 4 cents per hundredweight or such lesser amounts as the Secretary may prescribe, with respect to receipts, during the delivery period, of (a) milk from producers (including such handler's own production), and (b) other source milk received at a fluid milk plant: *Provided*, That the maximum rate of payments shall be reduced to 3 cents per hundredweight 6 months after the effective date of this order. Each cooperative association which is a handler shall pay such pro rata expense on only that milk of producers caused to be diverted by it pursuant to section 1 (k).

Sec. 10. *Marketing services—(a) Deductions for marketing services.* Except as set forth in paragraph (b) of this section, each handler in making payments to producers pursuant to section 8 (a) (2), shall deduct 6 cents per hundredweight or such lesser amount as the Secretary may prescribe, with respect to all milk received by such handler from producers during the delivery period and shall pay such deductions to the market administrator not later than the 15th day after the end of the delivery period. Such moneys shall be used by the market administrator to verify weights, samples, and tests of milk received by handlers from producers during the delivery period and to provide such producers with market information. Such services shall be performed in whole or in part by the market administrator or by an agent engaged by and responsible to him.

(b) *Producers' cooperative associations.* In the case of producers for whom a cooperative association is actually performing, as determined by the Secretary, the services set forth in paragraph (a) of this section, each handler shall make, in lieu of the deductions specified in paragraph (a) of this section, such deductions as are authorized by such producers, and on or before the 15th day after the end of each delivery period, pay over such deductions to the association rendering such services.

Sec. 11. *Effective time, suspension, and termination—(a) Effective time.* The provisions hereof, or any amendments hereto, shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated.

(b) *Suspension or termination.* The Secretary shall suspend or terminate any or all of the provisions hereof, whenever he finds that it obstructs or does not tend to effectuate the declared policy of the act. This order shall, in any event, terminate whenever the provisions of the act authorizing it cease to be in effect.

(c) *Continuing power and duty of the market administrator.* (1) If, upon the suspension or termination of any or all of the provisions hereof, there are any obligations arising hereunder, the final

accrual or ascertainment of which requires further acts by any handler, by the market administrator, or by any other person, the power and duty to perform such further acts shall continue notwithstanding such suspension or termination: *Provided*, That any such acts required to be performed by the market administrator shall, if the Secretary so directs, be performed by such other person, persons, or agency as the Secretary may designate.

(2) The market administrator, or such other person as the Secretary may designate (i) shall continue in such capacity until discharged by the Secretary; (ii) from time to time account for all receipts and disbursements and deliver all funds or property on hand, together with the books and records of the market administrator, or such person, to such person as the Secretary shall direct; and (iii) if so directed by the Secretary execute such assignments or other instruments necessary or appropriate to vest in such person full title to all funds, property, and claims vested in the market administrator or such person pursuant thereto.

(d) *Liquidation after suspension or termination.* Upon the suspension or termination of any or all provisions hereof, the market administrator or such person as the Secretary may designate shall, if so directed by the Secretary, liquidate the business of the market administrator's office, and dispose of all funds and property then in his possession or under his control, together with claims for any funds which are unpaid or owing at the time of such suspension or termination. Any funds collected pursuant to the provisions hereof, over and above the amounts necessary to meet outstanding obligations and the expenses necessarily incurred by the market administrator or such person in liquidating and distributing such funds, shall be distributed to the contributing handlers and producer in an equitable manner.

**SEC. 12. Separability of provisions.** If any provisions hereof, or its application to any person or circumstances, is held invalid, the application of such provision, and of the remaining provisions hereof, to other persons or circumstances shall not be affected thereby.

**SEC. 13. Agents.** The Secretary may, by designation in writing, name any officer or employee of the United States to act as his agent or representative in connection with any of the provisions hereof.

Proposals by certain handlers in the Knoxville, Tennessee, marketing area:

**SECTION 1. Definitions.** The following terms shall have the following meanings:

(a) "Act" means Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.)

(b) "Secretary" means the Secretary of Agriculture or any officer or employee of the United States authorized to exercise the powers and to perform the duties of the Secretary of Agriculture.

(c) "Department of Agriculture" means the United States Department of Agriculture or any other Federal Agency as may be authorized by act of Congress

or by executive order to perform the price reporting functions of the United States Department of Agriculture.

(d) "Person" means any individual, partnership, corporation, association, or any other business unit.

(e) "Knoxville Marketing Area," hereinafter called the "marketing area," means all of the territory within Knox County, and all of the territory within the boundary limits of the following cities which are in Tennessee but located outside of Knox County: Oak Ridge, Maryville, Alcoa, Morristown, Rockwood, Harriman, Lenoir City, Loudon, Gatlinburg, Sevierville, Newport, and LaFollete.

or

(e) As an alternative provision, the inclusion of such "out-of-area sales" provisions in the order as will effect a producer price to the handler for the quantity of milk distributed by such handler in these cities equivalent to the average producer price paid by distributors who distribute in such cities but who are not "handlers" as defined in the order.

(f) "Cooperative association" means any cooperative marketing association of producers which the Secretary determines to be qualified pursuant to the provisions of the act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act," and is authorized by its members to make collective sales or to market milk or its products for the producers thereof.

(g) "Producer-handler" means any person who is both a producer and a handler who receives no milk from other producers.

(h) "Delivery period" means a calendar month, or the portion thereof during which this order is in effect.

(i) "Fluid milk plant" means the premises and the portions of the building and facilities used in the receipt and processing or packaging of producer milk, all, or a portion of which is disposed of from such plant within the delivery period as Class I milk in the marketing area, but not including any portion of such building or facilities used for receiving or processing milk or any milk product required by the appropriate health authorities in the marketing area to be kept physically separate from the receiving and processing or packaging of milk for disposition as Class I milk in the marketing area.

(j) "Producer" means any person who produces milk under a dairy farm inspection permit issued by the appropriate health authority in the marketing area, and whose milk conforms to the appropriate health standards for milk for fluid consumption, which milk is: (1) received at a fluid milk plant, or (2) diverted from a fluid milk plant to any milk distributing or milk manufacturing plant: *Provided*, That any such milk so diverted shall be deemed to have been received by the handler for whose account it was diverted.

(k) "Handler" means (1) any person who operates a fluid milk plant, or (2) any cooperative association of producers with respect to producer milk diverted by it from a fluid milk plant to any milk distributing or milk manufacturing plant for the account of such association.

(l) "Nonfluid milk plant" means any milk manufacturing, processing, or bottling plant other than a fluid milk plant described in paragraph (i) of this section.

(m) "Producer milk" means milk produced by one or more producers.

(n) "Other source milk" means all skim milk and butterfat in any form received from a source other than producers or other handlers, except any non-fluid milk product which is received and disposed of in the same form.

**SEC. 2. Market administrator — (a) Designation.** The agency for the administration hereof shall be a market administrator, selected by the Secretary, who shall be entitled to such compensation as may be determined by, and shall be subject to removal at the discretion of, the Secretary.

(b) *Powers.* The market administrator shall have the following powers with respect to this order:

(1) To administer its terms and provisions;

(2) To receive, investigate, and report to the Secretary, complaints of violations;

(3) To make rules and regulations to effectuate its terms and provisions; and

(4) To recommend amendments to the Secretary.

(c) *Duties.* The market administrator shall perform all duties necessary to administer the terms and provisions of this order, including, but not limited to, the following:

(1) Within 45 days following the date on which he enters upon his duties, or such lesser period as may be prescribed by the Secretary, execute and deliver to the Secretary, a bond, effective as of the date on which he enters upon his duties, and conditioned upon the faithful performance of such duties, in an amount and with surety thereon satisfactory to the Secretary.

(2) Employ and fix the compensation of such persons as may be necessary to enable him to administer its terms and provisions;

(3) Obtain a bond in a reasonable amount and with reasonable surety thereon covering each employee who handles funds entrusted to the market administrator.

(4) Pay out of the funds provided by section 9: (i) The cost of his bond and of the bonds of his employees, (ii) his own compensation, and (iii) all other expenses except those incurred under section 10, necessarily incurred by him in the maintenance and functioning of his office and in the performance of his duties;

(5) Keep such books and records as will clearly reflect the transactions provided for herein, and, upon request by the Secretary, surrender the same to such other person as the Secretary may designate;

(6) Publicly disclose to handlers and producers, unless otherwise directed by the Secretary, the name of any person who, within 5 days after the day upon which he is required to perform such acts, has not made (i) reports pursuant to section 3 (a), or (ii) payments pursuant to section 8;



(7) Submit his books and records to examination by the Secretary and furnish such information and reports as may be required by the Secretary.

(8) Prepare and make available for the benefit of producers, consumers, and handlers, general statistics and information concerning the operation hereof as are necessary and essential to the proper functioning of this marketing order;

(9) Verify all reports and payments by each handler by audit, if necessary, of such handler's records and the records of any other handler or person upon whose utilization the classification of skim milk and butterfat for such handler depends; and

(10) Notify each handler in writing and publicly announce the prices and butterfat differentials for each delivery period, as follows:

(i) On or before the 6th day after the end of each delivery period, the minimum prices for skim milk and butterfat in each class computed pursuant to section 5, and

(ii) On or before the 10th day after the end of such delivery period, the uniform prices computed pursuant to section 7 (b) and the butterfat differential to be paid pursuant to section 8 (f).

### Sec. 3. Reports, records, and facilities.

(a) On or before the 6th day after the end of each delivery period each handler, except a producer-handler, shall report to the market administrator in the detail and on forms prescribed by the market administrator:

(1) The quantities of skim milk and butterfat contained in (i) all receipts at his fluid milk plant(s) within such delivery period (a) from producers, (b) from other handlers, or (c) other source milk, and (ii) milk diverted pursuant to section 1 (j) (2) and

(2) The utilization of all skim milk and butterfat required to be reported under subparagraph (1) of this paragraph.

(b) *Other reports.* Each handler shall report to the market administrator, in the detail and on forms prescribed by the market administrator as follows, except that each producer-handler shall make reports to the market administrator at such time and in such manner as the market administrator may request:

(1) On or before the 20th day after the end of each delivery period, if requested by the market administrator, his producer payroll for such delivery period which will show for each producer (i) the total pounds of milk delivered with the average butterfat test thereof, and (ii) the net amount of such handler's payment to such producer together with the price, deductions, and charges involved.

(2) On or before the first day other source milk is received his intention to receive such milk, and on or before the last day such milk is received his intention to discontinue such receipts.

(c) *Records and facilities.* Each handler shall keep adequate records of receipts and utilization of skim milk and butterfat and shall, during the usual hours of business, make available to the market administrator or his representative, such records and facilities as will enable the market administrator to:

(1) Verify the receipts and utilization of all skim milk and butterfat and, in case of errors or omissions, ascertain the correct figures;

(2) Weight, sample, and test for butterfat content, all milk and milk products handled;

(3) Verify payments to producers; and

(4) Make such examinations of operations, equipment and facilities, as are necessary and essential to the proper administration of this order.

SEC. 4. *Classification of milk.*—(a) *Basis of classification.* All skim milk and butterfat contained in milk, skim milk and cream, or used to produce milk products, received from all sources by each handler at a fluid milk plant shall be classified separately (as skim milk or butterfat) pursuant to the following provisions of this section.

(b) *Classes of utilization.* Subject to the conditions set forth in paragraphs (c) (d) (e) (f) and (g) of this section, skim milk and butterfat described in paragraph (a) of this section shall be classified by the market administrator on the basis of the following classes of utilization:

(1) Class I milk shall be all skim milk and butterfat; disposed of in fluid form as milk; and all milk not specifically accounted for as Class II milk, Class III milk and Class IV milk;

(2) Class II milk shall be all skim milk and butterfat disposed of as cream (for consumption as cream), and all skim milk and butterfat disposed of as butter-milk or milk drinks, whether plain or flavored;

(3) Class III milk shall be all skim milk and butterfat; used to produce ice cream, imitation ice cream, and other frozen desserts and mixes for similar products (liquid or powdered), cheese, and all products other than those specified in Class I milk, Class II milk and Class IV milk;

(4) Class IV milk shall be the skim milk and butterfat accounted for as:

(i) Used to produce butter and skim milk disposed of for livestock feed;

(ii) Actual plant shrinkage of skim milk and butterfat received in producer milk, computed pursuant to paragraph (c) of this section, but not in excess of three percent of such receipts of skim milk and butterfat, respectively; and

(iii) Actual plant shrinkage of skim milk and butterfat, respectively, in receipts other than from producers, computed pursuant to paragraph (c) of this section.

(c) *Shrinkage.* The shrinkage of skim milk in milk from producers and the shrinkage of skim milk in receipts from sources other than producers, shall be determined by the market administrator for each handler for the delivery period by prorating the handler's total shrinkage of skim milk on the basis of the total receipts of skim milk from producers and the total receipts of skim milk from sources other than producers. The determination of the shrinkage of butterfat in milk of producers and of the shrinkage of butterfat in receipts from sources other than producers will be made in like manner.

(d) *Responsibility of handlers and reclassification of milk.* (1) All skim milk and butterfat shall be classified as Class I milk unless the handler who first received such milk or butterfat proves to the market administrator that such milk or butterfat should be classified otherwise.

(2) Any skim milk or butterfat classified (except that transferred to a producer-handler) in one class shall be reclassified if used or reused by such handler or by another handler in another class.

(e) *Transfers.* All skim milk and butterfat contained in milk and skim milk disposed of, either by transfer or diversion, by a handler to another handler or to a person who is not a handler but who distributes milk or manufactures milk products shall be Class I milk, and all skim milk and butterfat contained in cream so disposed of shall be Class II milk, unless utilization in another class is mutually indicated in writing to the market administrator by both the transferring handler and the receiver on or before the 10th day after the end of the delivery period within which such transaction occurred.

(f) *Computation of skim milk and butterfat in each class.* (1) For each delivery period, the market administrator shall correct for mathematical and other obvious errors the delivery period report submitted by each handler and compute the total pounds of skim milk and butterfat, respectively, in Class I milk, Class II milk, Class III milk and Class IV milk for such handler;

(2) Should the shrinkage of skim milk or butterfat in milk of producers as determined by paragraph (c) of this section exceed the allowable 3 percent, the amount in excess shall be prorated into four portions according to the total quantities represented in the four classifications, and these prorated quantities shall be added to the amounts in the classifications; and

(3) If the total utilization of skim milk or butterfat in the various classes is less or more than the actual receipts by the handler, the market administrator shall increase or decrease the amounts in the classifications by a pro rata amount to make the utilization conform to total receipts by the handler.

(g) *Allocation of skim milk and butterfat classified.* (1) The pounds of butterfat in each classification allocated to milk received from producers shall be determined as follows: From the total butterfat in each classification deduct therefrom the quantities obtained from other source milk, and the remainder shall be the quantity allocated to milk from producers.

(2) Allocate the pounds of skim milk in each class to milk received from producers according to the method given in subparagraph (1) for butterfat.

### (Alternative Proposal 1)

(g) *Allocation of skim milk and butterfat classified.* (1) The pounds of butterfat remaining after making the following computations shall be the pounds in each class allocated to milk received from producers.

(i) Subtract from the total pounds of butterfat in Class IV milk, the pounds of

butterfat shrinkage allowed pursuant to (b) (4) of this section.

(ii) Subtract from the pounds of butterfat remaining in each class pro rata the pounds of butterfat in other source milk.

(iii) Subtract from the remaining pounds of butterfat in each class the pounds of butterfat received from other handlers in such classes; and

(iv) Add to the remaining pounds of butterfat in Class IV milk, the pounds subtracted pursuant to (i) of this subparagraph. If the remaining pounds of butterfat in all classes exceed the pounds of butterfat in milk received from producers, subtract such excess pro rata from the remaining pounds of butterfat in each class.

(2) Allocate the pounds of skim milk in each class to milk received from producers in a manner similar to that prescribed for butterfat in (1) of this paragraph.

#### (Alternative Proposal 2)

(g) *Allocation of skim milk and butterfat classified.* (1) (i) When the pounds of butterfat contained in the total hundredweight of producer milk received by each handler, who made the reports prescribed by section 3 for the delivery period, is less than 1.05 times the total butterfat of such handler classified for this delivery period, as Class I milk, Class II milk, and Class III milk, the pounds of butterfat remaining in each class after making the following computations for such handler for each delivery period shall be the pounds of butterfat in each class allocated to producer milk received by such handler.

(a) Subtract allowable shrinkage of butterfat from the total pounds of butterfat in Class IV milk.

(b) Subtract from the pounds of butterfat in each class, pro rata, the pounds of butterfat in other source milk.

or

(b) Subtract from the pounds of butterfat in each class, the pounds of butterfat in each class obtained from other source milk.

(c) Subtract from the pounds of butterfat remaining in each class the pounds of butterfat received from other handlers and assigned to such class pursuant to paragraph (d) (1) of this section.

(d) Add to the pounds of butterfat remaining in Class IV milk the pounds of butterfat subtracted pursuant to subdivision (a) of this subparagraph.

(ii) Determine the pounds of skim milk to be allocated to milk received from producers in a manner similar to that prescribed in (i) of this subparagraph.

(2) (i) When the pounds of butterfat contained in the total hundredweight of producer milk received by each handler who made the reports prescribed in section 3, for the delivery period is equal to or more than 1.05 times the total butterfat of such handler classified for the delivery period as Class I milk, Class II milk, Class III milk, the pounds of butterfat remaining in each class after making the following computations for such handler shall be the pounds of butterfat in each class allocated to producer milk received by such handler;

Repeat the computations as detailed in (1) (i) of this paragraph except that there is substituted for (b) thereunder:

"(b) Subtract from the pounds of butterfat remaining in each class beginning with the lowest priced available use, the pounds of butterfat in other source milk."

(ii) Determine the pounds of skim milk to be allocated to milk received from producers in a manner similar to that prescribed in (i) of this subparagraph.

**Sec. 5. Minimum prices—**(a) *Basic formula price.* For each delivery period the basic formula price to be used in determining the Class I milk, Class II milk and Class III milk prices, shall be the average of the prices per hundredweight of milk of 4.0 percent butterfat computed by the market administrator pursuant to subparagraphs (1) (2) and (3) of this paragraph:

(1) The arithmetical average of the basic (or field) prices, delivery plant, per hundredweight ascertained to have been paid during the next preceding delivery period to farmers for milk containing 4.0 percent butterfat at each of the following listed manufacturing plants or places which are reported to the United States Department of Agriculture or to the market administrator.

#### *Company and Location*

Scott Cheese Co., Sweetwater, Tenn.  
Sugar Creek Creamery, Knoxville, Tenn.  
Pet Milk Co., Greeneville, Tenn.

(2) The price per hundredweight resulting from the following formula:

(i) Multiply the average wholesale price per pound of 92-score butter at Chicago for the next preceding delivery period as reported by the United States Department of Agriculture by six (6)

(ii) Add 2.4 times the average weekly prevailing price per pound of "Twins" during the next preceding delivery period on the Wisconsin Cheese Exchange at Plymouth, Wisconsin: *Provided*, That if the price of "Twins" is not quoted on the Wisconsin Cheese Exchange the weekly prevailing price of "Cheddars" shall be deemed to be the prevailing price for "Twins" and shall be used in determining the price pursuant to this formula;

(iii) Divided by seven (7)

(iv) Add 30 percent thereof; and

(v) Multiply by 4.0.

(3) The price per hundredweight computed as follows:

(i) From the average wholesale price per pound of 92-score butter in the Chicago market as reported by the United States Department of Agriculture (or by such other Federal agency as may hereafter be authorized to perform this price reporting function) for the next preceding delivery period, subtract one cent;

(ii) Multiply by 4;

(iii) Add 20 percent thereof; and

(iv) Add 3½ cents per hundredweight for each full ½ cent that the price per pound of nonfat dry milk solids by roller process for human consumption is above 5½ cents, or subtract 3½ cents per hundredweight for each full ½ cent that the price per pound of nonfat dry milk solids by roller process for human consumption is below 5½ cents. For the purpose of determining this adjustment the price per pound of nonfat dry milk

solids to be used shall be the average of the carlot prices for nonfat dry milk solids by roller process for human consumption, f. o. b. manufacturing plants, as published by the agency described in subdivision (i) of this subparagraph, for the Chicago market during the next preceding delivery period, including in such average the quotations published for any fractional part of the previous delivery period which were not published and available at the time such average price was determined for the previous delivery period. In the event the carlot prices for nonfat dry milk solids by roller process for human consumption, f. o. b. manufacturing plants, for such delivery period, are not so published, the price of nonfat dry milk solids to be used shall be the average of the carlot prices for nonfat dry milk solids for human consumption, delivered at Chicago, during such delivery period, as published by such agency, and the adjustment to be made be as follows: Add 3½ cents per hundredweight for each full ½ cent that such price is above 6½ cents per pound, or subtract 3½ cents per hundredweight for each full ½ cent that such price is below 6½ cents per pound.

(b) *Class I milk prices.* The respective minimum prices per hundredweight, to be paid by each handler, f. o. b. his plant, for skim milk and butterfat received from producers, which is classified as Class I milk, shall be as follows, as computed by the market administrator:

(1) Add \$1.00 to the basic formula price.

(2) The price of butterfat shall be the sum obtained in subparagraph (1) of this paragraph, multiplied by 20.

(3) The price of skim milk shall be computed by:

(i) Multiplying the price of butterfat pursuant to subparagraph (2) of this paragraph by 0.040;

(ii) Subtracting such amount from the sum obtained in subparagraph (1) of this paragraph;

(iii) Dividing such net amount by 0.96; and

(iv) Rounding off to the nearest full cent.

(c) *Class II milk prices.* The respective minimum prices per hundredweight to be paid by each handler, f. o. b. his plant, for skim milk and butterfat in milk received from producers, which is classified as Class II milk shall be as follows, as computed by the market administrator:

(1) Add 50 cents to the basic formula price.

(2) The price of butterfat shall be the sum obtained in subparagraph (1) of this paragraph multiplied by 20.

(3) The price of skim milk shall be computed by:

(i) Multiplying the price for butterfat pursuant to subparagraph (2) of this paragraph by 0.040;

(ii) Subtracting such amount from the sum obtained in subparagraph (1) of this paragraph;

(iii) Dividing such net amount by 0.96; and

(iv) Rounding off to the nearest full cent.

(d) *Class III milk prices.* The respective minimum price per hundredweight

to be paid by each handler f. o. b. his plant, for skim milk and butterfat in milk received from producers, which is classified as Class III milk, shall be as follows, as computed by the market administrator:

- (1) Use the basic formula price.
- (2) The price of butterfat shall be the amount in subparagraph (1) of this paragraph, multiplied by 20.
- (3) The price of skim milk shall be computed by:
  - (i) Multiplying the price for butterfat pursuant to subparagraph (2) of this paragraph by 0.040;
  - (ii) Subtracting such amount from the sum obtained in subparagraph (1) of this paragraph;
  - (iii) Dividing such net amount by 0.96; and
  - (iv) Rounding off to the nearest full cent.
- (e) *Class IV milk prices.* The respective minimum prices per hundredweight to be paid by each handler, f. o. b. his plant, for skim milk and butterfat in milk received from producers which is classified as Class IV milk shall be as follows; as computed by the market administrator:
  - (1) The price per hundredweight of butterfat shall be the average price per pound of 92-score butter at wholesale in the Chicago Market, as reported by the Department of Agriculture for the delivery period, multiplied by 110.
  - (2) The price per hundredweight of skim milk (calculated to the nearest full cent) shall be determined as follows:
 

Add 3½ cents per hundredweight for each full ½ cent that the price per pound of nonfat dry milk solids by roller process for human consumption is above 5½ cents, or subtract 3½ cents per hundredweight for each full ½ cent that the price per pound of nonfat dry milk solids by roller process for human consumption is below 5½ cents, then divide by 0.96. For the purpose of determining this adjustment the price per pound of nonfat dry milk solids to be used shall be the average of the carlot prices for nonfat dry milk solids by roller process for human consumption, f. o. b. manufacturing plants, as published by the agency described in subdivision (i) of this subparagraph, for the Chicago market during the next preceding delivery period, including in such average the quotations published for any fractional part of the previous delivery period which were not published and available at the time such average price was determined for the previous delivery period. In the event the carlot prices for nonfat dry milk solids by roller process for human consumption, f. o. b. manufacturing plants, for such delivery period, are not so published, the price of nonfat dry milk solids to be used shall be the average of the carlot prices for nonfat dry milk solids for human consumption, delivered at Chicago during such delivery period, as published by such agency, and the adjustment to be made be as follows: Add 3½ cents per hundredweight for each full ½ cent that such price is above 6½ cents per pound, or subtract 3½ cents per hundredweight for each full ½ cent that such price is below 6½ cents per pound.

**SEC. 6. Application of provisions—Producer-handlers.** Sections 4, 5, 7, 9 and 10 shall not apply to producer-handlers.

**SEC. 7. Determination of uniform price—(a) Computation of value of milk.** The value of producer milk received during each delivery period by each handler shall be a sum of money computed by the market administrator by multiplying by the applicable class prices for skim milk and butterfat in each class pursuant to section 5, the skim milk and butterfat in milk received from producers according to their classification pursuant to (g) of section 4, and adding together the resulting products for skim milk and butterfat.

**(b) Computation and announcement of uniform price.** For each delivery period, the market administrator shall compute the "uniform price" per hundredweight for milk of 4.0 percent butterfat content received from producers by:

(1) Combining into one total the pool values computed under paragraph (a) of this section for all handlers who made the reports prescribed by section 3 (a) for such delivery period, except those in default of payments required pursuant to section 8 (c) for the preceding delivery period;

(2) Subtract, if the weighted average butterfat test of all milk received from producers is in excess of 4.0 percent, or add, if such weighted average butterfat test is less than 4.0 percent, the total value of the butterfat differential applicable pursuant to section 8 (f)

(3) (i) Add an amount equivalent to the cash balance on hand in the producer settlement fund established by the provisions of subparagraph (5) (i) of this paragraph less the total amount of contingent obligations to handlers pursuant to § 978.8 (d) of this chapter;

(ii) For each of the delivery periods of September, October and November, beginning September 1949, also add an amount equivalent to one-third of the total of the three amounts representing the cash balance established during the delivery periods of May, June and July immediately preceding as a fall season production incentive pursuant to subparagraph 5 (ii) of this paragraph.

(4) Divide the resulting amount by the total hundredweight of producer milk included in these computations; and

(5) (i) Subtract not less than 4 cents nor more than 5 cents for the purpose of retaining in the producer-settlement fund a cash balance to provide against errors in reports and payments or delinquencies in payments by handlers;

(ii) For each of the delivery periods of May, June and July, beginning May 1949, also subtract 40 cents, for the purpose of establishing in the producer-settlement fund a cash balance for distribution pursuant to section 7 (b) (3) (ii) as an incentive for fall season production. This result shall be known as the "uniform price" per hundredweight for such delivery period for producer milk containing 4.0 percent butterfat, f. o. b. fluid milk plant.

**(c) Notification of handlers.** On or before the 10th day after the end of

each delivery period, the market administrator shall mail to each handler, at his last known address, a statement showing:

(1) The amount and value of his producer milk in each class and the total thereof;

(2) The uniform price computed pursuant to paragraph (b) of this section and the butterfat differentials computed to section 8 (f), and

(3) The amounts to be paid by such handler pursuant to sections 8 (c), (9) and (10).

**SEC. 8. Payment to producers—(a) Time and method of payment.** (1) On or before the last day of each delivery period, each handler shall make payment to each producer, at not less than 75 percent of the uniform price, per hundredweight for the preceding delivery period, for milk received from such producer during the first 15 days of such delivery period: *Provided*, That for the first delivery period under this order such payment shall not be less than 75 percent of the price per hundredweight for 4.0 percent milk paid to producers by such handler for milk delivered during the immediately preceding delivery period.

(Alternate 1)

On or before the 15th day after the end of each delivery period, each handler shall make payment to such producer, for milk received from such producer during such delivery period, at not less than the uniform price per hundredweight computed pursuant to section 7 (b) subject to the following adjustments: (i) The butterfat differential pursuant to paragraph (f) of this section, (ii) less payment made pursuant to subparagraph (1) of this paragraph, (iii) less marketing service deductions pursuant to section 10, (iv) less deductions authorized by the producer, and (v) any error in calculating payment to such individual producer for past delivery periods: *Provided*, That if by such date handler has not received full payment for such delivery period pursuant to paragraph (d) of this section, he may reduce uniformly per hundredweight for all producers his payments pursuant to this paragraph by an amount not in excess of the per hundredweight reduction in payment from the market administrator; however, the handler shall make such balance of payment to those producers to whom, it is due on or before the date for making payments pursuant to this paragraph next following that on which such balance of payment is received from the market administrator.

**(b) Producer-settlement fund.** The market administrator shall establish and maintain a separate fund known as the "producer-settlement fund" into which he shall deposit all payments made by handlers pursuant to paragraphs (c) and (e) of this section, and out of which he shall make all payments pursuant to paragraphs (d) and (e) of this section.

**(c) Payments to the producer-settlement fund.** On or before the 13th day after the end of each delivery period, each handler shall pay to the market administrator any amount by which the

## PROPOSED RULE MAKING

total value of his milk computed pursuant to section 7 (a) for such delivery period is greater than an amount computed by multiplying the hundredweight of milk received from producers during the delivery period by the uniform price adjusted for the butterfat differential provided for in paragraph (f) of this section.

(d) *Payments out of the producer-settlement fund.* On or before the 14th day after the end of each delivery period, the market administrator shall pay to each handler, for payment to producers any amount by which the total value of his milk computed pursuant to section 7 (a) for such delivery period is less than an amount computed by multiplying the hundredweight of milk received from producers during the delivery period by the uniform price adjusted for the butterfat differential provided for in paragraph (f) of this section. If at such time the balance in the producer-settlement fund is insufficient to make all payments pursuant to this paragraph, the market administrator shall reduce uniformly such payments and shall complete such payments as soon as the necessary funds are available.

(e) *Adjustment of errors in payments.* Whenever verification by the market administrator of payments by any handler discloses any errors made in payments to the producer-settlement fund pursuant to paragraph (d) of this section, the market administrator shall promptly bill such handler for any unpaid amount and such handler shall, within 15 days, make payment to the market administrator of the amount so billed. Whenever verification discloses that payment is due from the market administrator to any handler, pursuant to paragraph (e) of this section, the market administrator shall, within 15 days, make such payment to such handler. Whenever verification by the market administrator of the payment by a handler to any producer for milk received by such handler discloses payment of less than is required by this section, an adjustment therefor shall be made not later than the time of making payment to producers next following such disclosure: *Provided*, That there shall be no adjustment of errors as herein described in section 8 (f) after the expiration of 180 days from the date of the error, except only in the case of fraud or intentional falsification.

(f) *Butterfat differential to producers.* In making payment to each producer, pursuant to paragraph (a) (2) of this section, each handler shall add to the uniform price not less than, or subtract from the uniform price not more than, as the case may be, for each one-tenth of 1 percent of butterfat content above or below 4.0 percent in milk received from such producer, the amount as shown in the schedule below for the butter price range in which falls the average price per pound of 92-score butter in the Chicago market, as reported by the Department of Agriculture, for the delivery period during which such milk was received.

| Butter price range (cents)- | Butterfat differential (cents) |
|-----------------------------|--------------------------------|
| 17.499 or less              | 2                              |
| 17.50-22.499                | 2½                             |

| Butter price range (cents)—Con. | Butterfat differential (cents) |
|---------------------------------|--------------------------------|
| 22.50-27.499                    | 3                              |
| 27.50-32.499                    | 3½                             |
| 32.50-37.499                    | 4                              |
| 37.50-42.499                    | 4½                             |
| 42.50-47.499                    | 5                              |
| 47.50-52.499                    | 5½                             |
| 52.50-57.499                    | 6                              |
| 57.50-62.499                    | 6½                             |
| 62.50-67.499                    | 7                              |
| 67.50-72.499                    | 7½                             |
| 72.50-77.499                    | 8                              |
| 77.50-82.499                    | 8½                             |
| 82.50-87.499                    | 9                              |
| 87.50-92.499                    | 9½                             |
| 92.50 and over                  | 10                             |

(g) *Statement to producers.* In making payments required by paragraph (a) (2) of this section each handler shall furnish each producer with a supporting statement in such form that it may be retained by the producer, which shall show:

(1) The delivery period and the identity of the handler and of the producer;

(2) The total pounds and the average butterfat content of milk delivered by the producer;

(3) The minimum rate or rates at which payment to the producer is required under the provisions of paragraphs (a) and (f) of this section;

(4) The rate which is used in making the payment if such rate is other than the applicable minimum;

(5) The amount or the rate per hundredweight of each deduction claimed by the handler, including any deduction claimed under section 10, together with a description of the respective deductions; and

(6) The net amount of payment to the producer.

SEC. 9. *Expense of administration.* As his pro rata share of the expense of the administration hereof, each handler shall pay to the market administrator, on or before the 15th day after the end of each delivery period, 2 cents per hundredweight or such lesser amount as the Secretary may prescribe, with respect to receipts, during the delivery period, of (a) milk from producers (including such handler's own production) and (b) other source milk received at a fluid milk plant. Each cooperative association which is a handler shall pay such pro rata expense on only that milk of producers caused to be diverted by it pursuant to section 1 (k).

SEC. 10. *Marketing services*—(a) *Deduction for marketing services.* Except as set forth in paragraph (b) of this section, each handler in making payments pursuant to section 8 (a) (2), shall deduct an amount not exceeding 3 cents per hundredweight or such lesser amount as the Secretary may prescribe, with respect to all milk received by such handler from producers during the delivery period and shall pay such deductions to the market administrator not later than the 15th day after the end of the delivery period. Such moneys shall be used by the market administrator to verify weights, samples, and tests of milk received by handlers from producers during the delivery period and to provide

such producers with market information. Such services shall be performed in whole or in part by the market administrator or by an agent engaged by and responsible to him.

(b) *Producers' cooperative associations.* In the case of producers for whom a cooperative association is actually performing, as determined by the Secretary, the services set forth in paragraph (a) of this section, each handler shall make, in lieu of the deductions specified in paragraph (a) of this section, such deductions as are authorized by such producers, and on or before the 15th day after the end of each delivery period, pay over such deductions to the association rendering such services.

SEC. 11. *Auditing the accounts of the market administrator.* During each yearly period after the effective date of this order, there shall be an audit of the records and accounts of the market administrator for their correctness, such audit to be made by an auditing firm licensed in the State of Tennessee, the cost of such audit to be treated as an expense of the administration of the order.

SEC. 12. *Effective time, suspension, and termination*—(a) *Effective time.* The provisions hereof, or any amendments hereto shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated.

(b) *Suspension or termination.* The Secretary shall suspend or terminate any or all of the provisions hereof, whenever he finds that it obstructs or does not tend to effectuate the declared policy of the act. This order shall, in any event, terminate whenever the provisions of the act authorizing it cease to be in effect.

(c) *Continuing power and duty of the market administrator.* (1) If, upon the suspension or termination of any or all of the provisions hereof, there are any obligations arising hereunder, the final accrual or ascertainment of which requires further acts by any handler, by the market administrator, or by any other person, the power and duty to perform such further acts shall continue notwithstanding such suspension or termination: *Provided*, That any such acts required to be performed by the market administrator shall, if the Secretary so directs, be performed by such person, persons, or agency as the Secretary may designate.

(2) The market administrator, or such other person as the Secretary may designate (i) shall continue in such capacity until discharged by the Secretary; (ii) from time to time account for all receipts and disbursements and deliver all funds or property on hand, together with the books and records of the market administrator, or such person, to such person as the Secretary shall direct; and (iii) if so directed by the Secretary execute such assignments or other instruments necessary or appropriate to vest in such person full title to all funds, property, and claims vested in the market administrator or such person pursuant thereto.

(d) *Liquidation after suspension or termination.* Upon the suspension or termination of any or all provisions hereof, the market administrator or such person as the Secretary may designate shall, if so directed by the Secretary, liquidate the business of the market administrator's office, and dispose of all funds and property then in his possession or under his control, together with claims for any funds which are unpaid or owing at the time of such suspension or termination. Any funds collected pursuant to the provisions hereof, over and above the amounts necessary to meet outstanding obligations and the expenses necessarily incurred by the market administrator or such person in liquidating and distributing such funds, shall be distributed to the contributing handlers and producers in an equitable manner.

SEC. 13. *Separability of provisions.* If any provisions hereof, or its application to any person or circumstances, is held invalid, the application of such provisions, and of the remaining provisions hereof, to other persons or circumstances shall not be affected thereby.

SEC. 14. *Agents.* The Secretary may, by designation in writing name any officer or employee of the United States to act as his agent or representative in connection with any of the provisions hereof.

Copies of this notice of hearing may be procured from the Director, Dairy Branch, Production and Marketing Administration, U. S. Department of Agriculture, Washington 25, D. C., or from the hearing clerk, U. S. Department of Agriculture, Room 1844, South Building,

Washington 25, D. C., or may be there inspected.

Dated: June 30, 1948.

[SEAL] JOHN I. THOMPSON,  
Assistant Administrator

[F. R. Doc. 48-5380; Filed, July 2, 1948;  
8:52 a. m.]

## FEDERAL SECURITY AGENCY

### Food and Drug Administration

[21 CFR, Part 19]

[Docket No. FDC-23 (c)]

DEFINITIONS AND STANDARDS OF IDENTITY  
FOR CREAM CHEESE, NEUFCHÂTEL CHEESE,  
COTTAGE CHEESE, CREAMED COTTAGE  
CHEESE

#### NOTICE OF HEARING

In the matter of proposals to amend the definitions and standards of identity for cream cheese, neufchâtel cheese, cottage cheese, and creamed cottage cheese:

Notice is hereby given that the Administrator of the Federal Security Agency, upon application of a substantial portion of the interested industry, and in accordance with the provisions of the Federal Food, Drug, and Cosmetic Act (secs. 401, 701, 52 Stat. 1046, 1055; 21 U. S. C. 341, 371) will hold a public hearing commencing at 10:00 o'clock, eastern daylight saving time, in the morning of August 3, 1948, in Room 3523, Federal Security Building, Independence Avenue and Fourth Street SW., Washington, D. C., upon the applicants' proposals to amend the definitions and standards of

identity for cream cheese, neufchâtel cheese, cottage cheese; and creamed cottage cheese (21 CFR, Cum. Supp., 19.515, 19.520, 19.525, 19.530) to provide that wherever cream, milk, or skim milk is specified in such standards that in lieu of all or part thereof concentrated or dried cream, concentrated or dried milk, or concentrated or dried skim milk (non-fat dry milk solids) or such with water to restore or partially restore the water removed in the concentrating or drying process may be used.

Mr. Bernard D. Levinson is hereby designated as presiding officer to conduct the hearing in the place of the Administrator, with full authority to administer oaths and affirmations and to do all other things appropriate to the conduct of the hearing. The presiding officer is required to certify the entire record of the proceedings to the Administrator for initial decision.

The hearing will be conducted in accordance with the rules of practice provided therefor.

At the hearing evidence will be restricted to testimony and exhibits that are relevant and material to the matter contained in the proposals.

The proposals are subject to adoption, rejection, amendment, or modification by the Administrator, in whole or in part, as the evidence adduced at the hearing may require.

Dated: June 30, 1948.

[SEAL] OSCAR R. EWING,  
Administrator.

[F. R. Doc. 48-5375; Filed, July 2, 1948;  
8:50 a. m.]

## NOTICES

### DEPARTMENT OF COMMERCE

#### Office of Industry Cooperation

#### PROPOSED VOLUNTARY PLAN FOR ALLOCATION OF STEEL PRODUCTS FOR FACTORY-MADE STEEL HOUSES

##### NOTICE OF PUBLIC HEARING

In order to carry out the requirements of Executive Order 9919 (13 F. R. 59) and acting under the authority vested in me by said Executive order,

Notice is hereby given that a public hearing will be held on Wednesday, the 14th day of July, 1948, at 10:00 a. m., d. s. t., in the Auditorium on the street floor of the Department of Commerce Building, 14th Street, between E Street and Constitution Avenue, in the City of Washington, D. C., for the purpose of affording to industry, labor and the public generally an opportunity to present their views with respect to the proposed voluntary plan, under Public Law 395, 80th Congress, for the allocation of steel products for factory-made steel houses, of which plan a draft is set forth in Appendix A hereto (subject to further revisions at and subsequent to the public hearing)

The proposed plan has been formulated after consulting with representatives of the various industries involved.

Any person desiring to participate in said public hearing should file a written notice of appearance with the Director of the Office of Industry Cooperation, Room 5847, Department of Commerce Building, Washington 25, D. C., not later than 5 p. m., d. s. t., on Monday, the 12th day of July, 1948. Persons desiring to present written statements or memoranda should submit them at the hearing.

[SEAL] CHARLES SAWYER,  
Secretary of Commerce.

#### APPENDIX A—PROPOSED VOLUNTARY PLAN FOR ALLOCATION OF STEEL PRODUCTS FOR FACTORY-MADE STEEL HOUSES

1. In furtherance of the residential housing program, the steel producers participating herein will, during the six-month period beginning with the effective date of this Plan, make available or cause to be made available, out of the production of their own mill or the mills of their subsidiaries or affiliates, a total of 59,000 tons of steel sheet (other than enameling grades) and strip (hereinafter called steel products) to manufacturers of factory-made steel houses (hereinafter called Manufacturers), for use solely in the manu-

facture of such houses, exclusive of bathtubs, sinks, lavatories, kitchen and undersink cabinets, dish and clothes washing machines, exhaust fans, lighting fixtures, water and heating units (hereinafter called fixtures and appliances) for such houses, in accordance with and subject to the terms and conditions hereinafter set forth.

2. (a) The quantities and types of such steel products to be made available by each steel producer shall, except as may be otherwise specified in such steel producer's acceptance hereof, be such as the Secretary of Commerce (after consultation with the Steel Producers Advisory Task Committee of the Office of Industry Cooperation of the Department of Commerce) determines to be fair and equitable in order to accomplish, as nearly as may be, the supply of such steel products, on an average monthly basis, necessary to fulfill the purposes of this Plan.

Each steel producer participating herein will, however, upon request of the Secretary of Commerce, give consideration to making such steel products available under this Plan in amounts additional to the amounts provided for in its acceptance hereof.

(b) Such steel products will be made available under such contractual arrangements as may be made by the respective steel producers, or their subsidiaries and affiliates, with the respective Manufacturers, and no request or authorization will be made by the Department of Commerce relating to the allocation of orders or customers or to the



delivery of steel products or to the allocation of business among such Manufacturers, nor will any request or authorization be made to such steel producers for any limitation or restriction on the production or marketing of any such steel products. Nothing herein contained shall be construed as authorizing or approving any fixing of prices, and the participation herein of any steel producer shall not affect the prices or terms and conditions on which any such steel products as are made available, are actually sold and delivered.

(c) Each steel producer participating herein will make available, or cause to be made available, only those steel products which are within the type and size limitations of the mill or mills which it may select for the production of such products. The quantities of such steel product which it will make available, or cause to be made available in any month, may be reduced, or at its option the delivery thereof may be postponed, in direct proportion to any production losses which it or its subsidiary or affiliate shall sustain during any such month, due to causes beyond its or their control.

(d) Each steel producer will, if requested by the Office of Industry Cooperation of the Department of Commerce (subject to the approval of the Bureau of the Budget under the Federal Reports Act of 1942) report to the Office of Industry Cooperation the total quantities of the several types of such steel products shipped, pursuant to purchase orders hereunder, in any monthly period or periods during the operation of this Plan.

3. (a) Each individual Manufacturer participating herein will submit to the Secretary of Commerce monthly schedules and reports (subject to the approval of the Bureau of the Budget under the Federal Reports Act of 1942) on forms furnished by the Secretary of Commerce, showing by plants (1) the number of complete houses and the quantities of each type of end product manufactured for incorporation in houses scheduled for production during the succeeding month hereunder; (2) the net tonnage of each size and kind of such steel products required for each item scheduled in (1) hereof during the succeeding month; (3) the total quantities and kinds of such steel products received from all sources during the next preceding month; (4) the number of complete houses and the quantity of each type of end product manufactured for inclusion in houses manufactured during the preceding month; (5) other relevant information. After receiving such schedules and reports, the Secretary of Commerce will relate such estimated requirements to the over-all program and determine the quantities of steel products to be made available herein to each individual participating Manufacturer.

(b) By participation herein, the several Manufacturers shall be obligated to use all steel products made available hereunder solely for and in the manufacture of factory-made steel houses, exclusive of any fixtures and appliances (as listed in paragraph 1 hereof) therefor; not to resell or transfer such steel products; nor build up any inventories of steel or end products beyond current needs for the purposes hereof. Each purchase order for any such steel products to be made available hereunder shall bear the following certification of the Manufacturer placing such purchase order:

"The undersigned hereby certifies and agrees that this order is placed under Section 3 of the Voluntary Plan authorized under Public Law 395 for Allocation of Steel Products for the Manufacture of Factory-Made Steel Houses and that the steel products specified in this order will be used solely for and in the manufacture of such houses, exclusive of any fixtures and appliances (as listed in Paragraph 1 of said Plan) therefor."

4. After approval hereof by the Attorney General and by the Secretary of Commerce,

and after requests for compliance herewith shall have been made of steel producers and Manufacturers by the Secretary of Commerce, any such steel producer or Manufacturer may become a participant herein by advising the Secretary of Commerce, in writing, of its acceptance of such request. Such requests for compliance will be effective for the purpose of granting certain immunity from the anti-trust laws and the Federal Trade Commission Act, as provided in Section 2 (c) of Public Law 395, only with respect to such steel producers and Manufacturers as notify the Secretary of Commerce in writing that they will comply with such requests.

5. This plan shall become effective upon the date of its final approval by the Secretary of Commerce and shall cease to be effective at the close of business on February 28, 1949, or on such earlier date as may be determined by the Secretary of Commerce, upon notice, by letter or by publication in the FEDERAL REGISTER, not less than sixty days prior to such earlier date.

6. Any such steel producer or Manufacturer may withdraw from this plan by giving not less than sixty days' written notice of its intention so to do to the Secretary of Commerce.

[F. R. Doc. 48-5997; Filed, July 2, 1948; 8:59 a. m.]

## FEDERAL POWER COMMISSION

[Docket No. G-959]

PANHANDLE EASTERN PIPE LINE CO.

ORDER FIXING DATE OF HEARING

JUNE 29, 1948.

Upon consideration of the application filed on October 8, 1947, by Panhandle Eastern Pipe Line Company (Applicant), a Delaware corporation having its principal office in Kansas City, Missouri, for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, as amended, authorizing the construction and operation of certain additional natural-gas facilities, subject to the jurisdiction of the Commission, as fully described in such application on file with the Commission and open to public inspection;

It appearing to the Commission that:

(1) Temporary authorization to construct and operate the requested facilities was granted by the Commission on November 21, 1947;

(2) This proceeding is a proper one for disposition under the provisions of § 1.32 (b) of the Commission's rules of practice and procedure, Applicant having requested that its application be heard under the shortened procedure provided by the aforesaid section for non-contested proceedings, and no request to be heard, protest or petition having been filed subsequent to the giving of due notice of the filing of the application, including publication in the FEDERAL REGISTER on October 22, 1947 (12 F. R. 6903)

The Commission, therefore, orders that:

(A) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, as amended, and the Commission's rules of practice and procedure, a hearing be held on July 13, 1948; at 9:45 a. m. (e. d. s. t.), in the Hearing

Room of the Federal Power Commission, 1800 Pennsylvania Avenue NW., Washington, D. C., concerning the matters involved and the issues presented by such application; *Provided, however*, That the Commission may, after a noncontested hearing, forthwith dispose of the proceeding pursuant to the provisions of § 1.32 (b) of the Commission's rules of practice and procedure.

(B) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the said rules of practice and procedure.

Date of issuance: June 29, 1948.

By the Commission.

[SEAL]

LEON M. FUQUAY,  
Secretary.

[F. R. Doc. 48-5956; Filed, July 2, 1948; 8:45 a. m.]

[Docket No. G-1038]

CITIES SERVICE GAS CO.

ORDER FIXING DATE OF HEARING

JUNE 29, 1948.

Upon consideration of the application filed April 21, 1948, by Cities Service Gas Company (Applicant) a Delaware corporation with its principal place of business at Oklahoma City, Oklahoma, for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, as amended, authorizing the construction and operation of certain natural-gas facilities, subject to the jurisdiction of the Commission, as fully described in such application on file with the Commission and open to public inspection;

It appears to the Commission that: This proceeding is a proper one for disposition under the provisions of § 1.32 (b) of the Commission's rules of practice and procedure, Applicant having requested that its application be heard under the shortened procedure provided by the aforesaid rule for non-contested proceedings, and no request to be heard, protest or petition having been filed subsequent to the giving of due notice of the filing of the application, including publication in the FEDERAL REGISTER on May 5, 1948 (13 F. R. 2418)

The Commission, therefore, orders that:

(A) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, as amended, and the Commission's rules of practice and procedure, a hearing be held on July 20, 1948, at 9:30 a. m. (e. d. s. t.), in the Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue NW., Washington, D. C., concerning the matters involved and the issues presented by such application; *Provided, however* That the Commission may, after a noncontested hearing, forthwith dispose of the proceeding pursuant to the provisions of § 1.32 (b) of the Commission's rules of practice and procedure.

(B) Interested State commissions may participate as provided by §§ 1.8 and 1.37

(f) of the said rules of practice and procedure.

Date of issuance: June 29, 1948.

By the Commission.

[SEAL] LEON M. FUQUAY,  
Secretary.

[F. R. Doc. 48-5957; Filed, July 2, 1948;  
8:45 a. m.]

[Docket No. G-1045]

SOUTHERN CALIFORNIA GAS CO. AND SOUTHERN COUNTIES GAS CO. OF CALIFORNIA

ORDER FIXING DATE OF HEARING

JUNE 29, 1948.

Upon consideration of the joint application filed May 3, 1948, by Southern California Gas Company and Southern Counties Gas Company of California, both being California corporations with their principal place of business at Los Angeles, California, for certificates of public convenience and necessity pursuant to section 7 of the Natural Gas Act, as amended, authorizing the construction and operation of certain natural-gas facilities, subject to the jurisdiction of the Commission, as fully described in such application on file with the Commission and open to public inspection;

It appearing to the Commission that: This proceeding is a proper one for disposition under the provisions of § 1.32 (b) of the Commission's rules of practice and procedure, Applicants having requested that their application be heard under the shortened procedure provided by the aforesaid rule for non-contested proceedings, and no request to be heard, protest or petition having been filed subsequent to the giving of due notice of the filing of the application, including publication in the FEDERAL REGISTER on May 27, 1948 (13 F. R. 2844)

The Commission, therefore, orders that:

(A) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, as amended, and the Commission's rules of practice and procedure, a hearing be held on July 19, 1948, at 9:30 a. m. (e. d. s. t.) in the Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue NW., Washington, D. C., concerning the matters involved and the issues presented by such application; *Provided, however* That the Commission may, after a noncontested hearing, forthwith dispose of the proceeding pursuant to the provisions of § 1.32 (b) of the Commission's rules of practice and procedure.

(B) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the said rules of practice and procedure.

Date of issuance: June 29, 1948.

By the Commission.

[SEAL] LEON M. FUQUAY,  
Secretary.

[F. R. Doc. 48-5958; Filed, July 2, 1948;  
8:45 a. m.]

[Docket No. G-1047]

UNITED NATURAL GAS CO.

ORDER FIXING DATE OF HEARING

JUNE 29, 1948.

Upon consideration of the application filed May 10, 1948, as supplemented on June 15, 1948, by United Natural Gas Company (Applicant) a Pennsylvania corporation having its principal place of business at Oil City, Pennsylvania, for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, as amended, authorizing the construction and operation of certain natural-gas facilities, subject to the jurisdiction of the Commission, as fully described in such application on file with the Commission and open to public inspection;

It appears to the Commission that: This proceeding is a proper one for disposition under the provisions of § 1.32 (b) of the Commission's rules of practice and procedure, Applicant having requested that its application be heard under the shortened procedure provided by the aforesaid rule for non-contested proceedings, and no request to be heard, protest or petition having been filed subsequent to the giving of due notice of the filing of the application, including publication in the FEDERAL REGISTER on May 21, 1948 (13 F. R. 2756-2757).

The Commission, therefore, orders that:

(A) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, as amended, and the Commission's rules of practice and procedure, a hearing be held on July 13, 1948, at 9:30 a. m. (e. d. s. t.) in the Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue NW., Washington, D. C., concerning the matters involved and the issues presented by such application; *Provided, however*, That the Commission may, after a non-contested hearing, forthwith dispose of the proceeding pursuant to the provisions of § 1.32 (b) of the Commission's rules of practice and procedure.

(B) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the said rules of practice and procedure.

Date of issuance: June 29, 1948.

By the Commission.

[SEAL] LEON M. FUQUAY,  
Secretary.

[F. R. Doc. 48-5959; Filed, July 2, 1948;  
8:46 a. m.]

## SECURITIES AND EXCHANGE COMMISSION

[File No. 70-1689]

COMMONWEALTH & SOUTHERN CORP. (DEL.)  
ET AL.

### NOTICE OF FILING

At a regular session of the Securities and Exchange Commission held at its office in the city of Washington, D. C., on the 28th day of June 1948.

In the matter of The Commonwealth & Southern Corporation (Delaware) The Southern Company, Alabama Power Company, and Georgia Power Company—File No. 70-1680.

The Commission by its memorandum opinion and order dated January 27, 1948 (Holding Company Act Release No. 7975), having determined that the infusion of additional common stock capital into The Southern Company ("Southern") a registered holding company and a subsidiary of The Commonwealth & Southern Corporation ("Commonwealth"), also a registered holding company, for the purpose of financing Southern and its subsidiaries, is appropriate under the standards of section 7 of the Public Utility Holding Company Act of 1935 (the "act") and having approved by said memorandum opinion and order an investment by Commonwealth of from \$5,000,000 to \$10,000,000 in the common stock of Southern by use of the proceeds expected to be derived by Commonwealth from its proposed sale of the common stock of South Carolina Power Company, one of Commonwealth's subsidiaries; and the Commission having also by said memorandum opinion and order granted Southern an exemption from the competitive bidding requirements of subsections (b) and (c) of Rule U-50 with respect to the sale of approximately \$20,000,000 of its additional common capital stock, including the aforementioned proposed investment by Commonwealth; and said memorandum opinion and order having provided that all of the foregoing was to be subject to the Commission's findings following the filing of definitive terms and conditions of the proposed transactions; and it appearing to the Commission that Commonwealth has disposed of all of the common stock of South Carolina Power Company and has received in return therefor approximately \$10,200,000.

Notice is hereby given that Commonwealth, Southern, Alabama Power Company ("Alabama") a direct public utility subsidiary of Southern, and Georgia Power Company ("Georgia") also a direct public utility subsidiary of Southern, have filed with this Commission an amendment to the application-declaration in the above entitled matter pursuant to section 6 (a) 6 (b) 7, 9 (a) 10, 12 (f) and Rule U-43 thereunder with respect to the financing of Southern and its subsidiaries, Alabama and Georgia.

Notice is further given that any interested person may, not later than July 8, 1948, at 5:30 p. m., e. d. s. t., request the Commission in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request and the issues, if any, of fact or law raised by said amendment which he desires to controvert, or may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time after July 8, 1948, the amendment to the said application-declaration, as filed or as amended, may be granted and permitted to become effective as provided in Rule

U-23 of the rules and regulations promulgated under the act, or the Commission may exempt the transactions therein proposed as provided in Rule U-20 (a) and Rule U-100 thereof.

All interested persons are referred to said amendment, which is on file in the offices of this Commission, for a statement of the transactions therein proposed which are summarized as follows:

1. Commonwealth proposes to invest \$10,200,000 in the common stock of Southern by purchasing 1,020,000 shares of Southern's \$5 par value common stock. For this purpose Commonwealth will use the proceeds received from the sale of the common stock of South Carolina Power Company, or an amount equal thereto.

2. Southern in turn proposes to invest the proceeds of the sale of its common stock in its subsidiaries, Alabama and Georgia, together with sufficient treasury cash to enable it to (a) purchase 50,000 shares of no par value common stock of Alabama for \$5,000,000 and (b) purchase 500,000 shares of no par value common stock of Georgia for \$8,000,000.

The filing states that the prices at which the common stock of Southern, Alabama and Georgia are proposed to be sold are in excess of the book values thereof after, in the case of Southern, deducting the excess of Southern's carrying value of investments in subsidiary companies over the underlying book value thereof exclusive of earned surplus since date of acquisition.

It appears from the filing that the proposed issuance and sale of securities by Alabama and Georgia have been approved by the Public Service Commissions of Alabama and Georgia, the State commissions of the States in which Alabama and Georgia respectively are organized and doing business, and that the proposed transactions are designed to facilitate the financing by Georgia and Alabama of their construction programs.

With respect to the exemption from the competitive bidding requirements of Rule U-50 heretofore granted Southern as to the sale of its common stock, the filing states that after careful consideration Southern has concluded that conditions are such as to make it inadvisable to proceed with the sale of shares of its common stock to other than Commonwealth at the present time and that consequently the exemption heretofore granted is waived and the request therefor withdrawn without prejudice to a subsequent renewal of the application for such exemption should conditions become appropriate.

Notice of this filing shall be given by mailing a copy of this notice by registered mail to The Commonwealth & Southern Corporation (Delaware) The Southern Company, Alabama Power Company, Georgia Power Company, the Federal Power Commission, The Public Service Commissions of Alabama and Georgia, and to all persons who have participated in the proceedings on Commonwealth's plan of reorganization dated July 30, 1947 (File No. 54-161) and notice of said filing shall be given to all other persons by general release of this

Commission which shall be distributed to the press and mailed to the mailing list for releases issued under the act; and further notice shall be given to all persons by publication of this notice in the FEDERAL REGISTER.

By the Commission.

[SEAL]

ORVAL L. DuBOIS,  
Secretary.

[F. R. Doc. 48-5962; Filed, July 2, 1948;  
8:46 a. m.]

[File No. 70-1840]

NEW JERSEY POWER & LIGHT CO.

ORDER GRANTING APPLICATION AND PERMITTING DECLARATION TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 28th day of June 1948.

New Jersey Power & Light Company ("New Jersey") an electric utility subsidiary of General Public Utilities Corporation ("GPU") a registered holding company, having filed an application-declaration, pursuant to section 6 (b) of the Public Utility Holding Company Act of 1935 and Rule U-50 of the general rules and regulations promulgated thereunder, with respect to the following proposed transactions:

New Jersey proposes to issue and sell, pursuant to the competitive bidding requirements of Rule U-50, \$6,000,000 principal amount of First Mortgage Bonds ---% Series due 1978, to be issued under a Supplemental Indenture to the company's existing First Mortgage Indenture dated March 1, 1944. The interest rate, and price to the company for the bonds will be determined by competitive bidding, except that the invitation for bids will specify that the interest rate shall not be greater than 3½% and that the price to the company shall not be less than 100% nor more than 102.75% of the principal amount, plus interest, if any.

New Jersey will deposit the proceeds of the sale of the bonds with the indenture trustee to be withdrawn by New Jersey, from time to time, against net bondable value of property additions, as defined and permitted by the terms and provisions of said mortgage indenture.

New Jersey also proposes that upon receipt of a capital contribution of \$1,750,000, which is to be made to it by its parent, GPU, it will apply \$1,100,000 thereof to the repayment of its like principal amount of outstanding bank indebtedness and will set aside the balance of such contributions on its books to be applied against disbursements made from and after January 1, 1948 for construction and improvements of its facilities.

The proposed issuance and sale of securities having been approved by the New Jersey Board of Public Utility Commissioners; and

Appropriate notice of said filing having been given in the form and manner prescribed by Rule U-23 promulgated pursuant to said act, and the Commission not having received a request for

hearing with respect to said application-declaration within the period specified, or otherwise, and not having ordered a hearing thereon; and

The Commission finding with respect to the application-declaration that the requirements of the applicable provisions of the act and rules thereunder are satisfied, that no adverse findings are necessary thereunder, and deeming it appropriate in the public interest and in the interests of investors and consumers that the said application-declaration be granted and permitted to become effective and deeming it appropriate to grant the request of applicant-declarant that the order become effective not later than June 28, 1948:

*It is hereby ordered*, Pursuant to said Rule U-23 and the applicable provisions of said act, that said application-declaration be, and the same hereby is, granted and permitted to become effective forthwith, subject to the terms and conditions prescribed in Rule U-24 and to the further condition that the proposed issuance and sale of said bonds shall not be consummated until the results of competitive bidding, pursuant to Rule U-50, have been made a matter of record herein and a further order shall have been entered with respect thereto, which order shall contain such further terms and conditions as may then be deemed appropriate, for which purpose jurisdiction be, and the same hereby is, reserved.

*It is further ordered*, That jurisdiction be, and the same hereby is, reserved over all fees and expenses to be incurred in connection with the proposed transactions.

*It is further ordered*, That the ten-day period for the reception of bids with respect to the bonds proposed to be sold, prescribed by Rule U-50, be, and the same hereby is, shortened so that bids may be opened on July 7, 1948.

By the Commission.

[SEAL]

ORVAL L. DuBOIS,  
Secretary.

[F. R. Doc. 48-5961; Filed, July 2, 1948;  
8:46 a. m.]

[File No. 70-1879]

UNITED CORP.

ORDER PERMITTING DECLARATION TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 28th day of June 1948.

The United Corporation ("United") a registered holding company, having filed a declaration, pursuant to sections 10 and 12 (d) of the Public Utility Holding Company Act of 1935, with respect to the transactions summarized below:

Pursuant to the terms and conditions of a plan for the dissolution of the Public Service Corporation of New Jersey ("Public Service") heretofore approved by order of this Commission dated December 30, 1947 (File Number 54-143) and ordered enforced on March 19, 1948

by the United States District Court for the District of New Jersey (Civil Action 11105) United proposes to tender 1,542,318 shares of the common stock of Public Service, in exchange for 1,542,318 shares of the common stock of Public Service Electric and Gas Corporation and 154,231 $\frac{1}{10}$  shares of the common stock of South Jersey Gas Company.

Said declaration having been duly filed, and the Commission having in the findings and opinion approving said plan for the dissolution of Public Service, approved the transfers and acquisitions contemplated therein and now finding that the proposed transactions comply with the applicable provisions of the act, and deeming it appropriate in the public interest and in the interests of investors and consumers that said declaration be permitted to become effective without the necessity of compliance with the requirements of Rule U-23:

*It is ordered*, Pursuant to Rule 100 (a) and the applicable provisions of said act, and subject to the terms and conditions prescribed in Rule U-24 that the declaration be, and hereby is, permitted to become effective.

By the Commission.

[SEAL] ORVAL L. DuBOIS,  
Secretary.

[F. R. Doc. 48-5960; Filed, July 2, 1948;  
8:46 a. m.]

## UNITED STATES MARITIME COMMISSION

SHEPARD STEAMSHIP CO.

### NOTICE OF POSTPONEMENT OF HEARING

Notice is hereby given that the public hearings upon an application dated April 19, 1948, of Shepard Steamship Co., under Title VI of the Merchant Marine Act, 1936, for financial aid in the operation of vessels in the foreign commerce of the United States, on Service B of Trade Route No. 1 (between United States Atlantic coast ports and east coast ports of South America) now scheduled to be held before Examiner C. W. Robinson on July 13, 1948, at 10 o'clock a. m., Eastern Daylight Saving Time, in Room 213 Appraiser's Stores, 408 Atlantic Avenue, Boston, Mass., and on July 20, 1948, at 10 o'clock a. m., Eastern Daylight Saving Time, in the Directors' Room of the Maritime Association of the Port of New York, 80 Broad Street, New York, N. Y., pursuant to notice duly published in the FEDERAL REGISTER on May 29, 1948 (13 F. R. 2938) are hereby postponed to August 10 and 17, 1948, respectively. The said hearings will be held on such dates commencing at 10 o'clock a. m., Eastern Daylight Saving Time, and at the same places as described herein.

Dated: Washington, D. C., June 30, 1948.

By the Commission.

[SEAL] A. J. WILLIAMS,  
Secretary.

[F. R. Doc. 48-5978; Filed, July 2, 1948;  
8:51 a. m.]

## DEPARTMENT OF JUSTICE

### Office of Alien Property

AUTHORITY: 40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong., 60 Stat. 60, 925; 50 U. S. C. and Supp. App. 1, 610; E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9367, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9783, Oct. 14, 1946, 11 F. R. 11981.

[Vesting Order 11477]

FRITZ SINGER ET AL.

In re: Bank account and interests in patent agreement owned by Fritz Singer and the heirs of Dr. Fritz Neumeyer.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9783, and pursuant to law, after investigation, it is hereby found:

1. That Fritz Singer and the heirs of Dr. Fritz Neumeyer, whose last known addresses are Germany, are residents of Germany and nationals of a designated enemy country (Germany),

2. That the property described as follows:

a. That certain debt or other obligation of American Security and Trust Company, Fifteenth Street and Pennsylvania Avenue NW., Washington, D. C., arising out of a special account entitled "Richard Spencer and Fritz Singer, Special by Richard Spencer" maintained at the main office of the aforesaid bank, and any and all rights to demand, enforce and collect the same, and

b. All interests and rights (including all royalties and other monies payable or held with respect to such interests and rights and all damages for breach of the agreement hereinafter described, together with the right to sue therefor) created in Fritz Singer, for his own benefit and for the benefit of the heirs of Dr. Fritz Neumeyer, by virtue of an agreement evidenced by exchange of letters and cables including, but not limited to, letters dated September 18, 1939, and February 9, 1940, from Richard Spencer to Fritz Singer and letters dated December 2, 1939, and July 19, 1940 from Fritz Singer to Richard Spencer and cables dated September 2, 1940,

February 11, 1941, February 24, 1941, and March 15, 1941, from Richard Spencer to Fritz Singer, and cables dated December 2, 1939, October 5, 1940 and February 22, 1941, from Fritz Singer to Richard Spencer, which agreement is by and between Richard Spencer and Fritz Singer and relates to the patents listed in Exhibit A, attached hereto and made a part hereof,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Germany) and is property payable or held with respect to patents or rights related thereto in which interests are held by, and such property itself constitutes interests held therein by, the aforesaid nationals of a designated enemy country (Germany),

and it is hereby determined:

3. That to the extent that Fritz Singer and the heirs of Dr. Fritz Neumeyer are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on June 24, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,  
Assistant Attorney General,  
Director, Office of Alien Property.

### EXHIBIT A

| Patent No. | Date          | Inventors                               | Title  |
|------------|---------------|---|--|
| 1,982,544  | Nov. 27, 1934 | Fritz Singer.....                       | Method and Apparatus for Elongating Metal Articles.      |
| 2,102,699  | Dec. 14, 1937 | .....do.....                            | Enlarging the Diameter of Hollow Metal Articles.         |
| 2,105,015  | Jan. 11, 1938 | .....do.....                            | Mechanically Working Metal Articles.                     |
| 2,110,955  | Mar. 15, 1938 | .....do.....                            | Reducing the Diameter of Hollow Metal Articles.          |
| 2,116,954  | May 10, 1938  | .....do.....                            | Mechanically Working Metal Articles.                     |
| 2,153,859  | Apr. 11, 1939 | Alfred Lieberfeld.....                  | Metal Working.   |
| 2,218,459  | Oct. 15, 1940 | Fritz Singer.....                       | Manufacture of Articles from Light Metal Alloys.         |
| 2,218,460  | .....do.....  | Fritz Singer and Alfred Lieberfeld..... | Stretching Machine.                                      |
| 2,231,223  | Feb. 11, 1941 | Fritz Singer.....                       | Cooling and Lubricating Means for the Working of Metals. |

[F. R. Doc. 48-5935; Filed, July 2, 1948; 8:52 a. m.]

[Vesting Order 11412]

HENRY E. WAGNER

In re: Estate of Henry E. Wagner, deceased. File D-28-9609; E. T. sec. 13293. Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Ex-

ecutive Order 9783, and pursuant to law, after investigation, it is hereby found:

1. That Henry (Heinrich) Holzhausen and William (Wilhelm) Holzhausen, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany),

2. That all right, title, interest and claim of any kind or character whatsoever of the persons named in subparagraph 1 hereof, and each of them, in and to the Estate of Henry E. Wagner, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Germany)

3. That such property is in the process of administration by The Northern Trust Company, as Executor, acting under the judicial supervision of the Probate Court of Cook County, Illinois;

and it is hereby determined:

4. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on June 10, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,  
Assistant Attorney General,  
Director Office of Alien Property.

[F. R. Doc. 48-5981; Filed, July 2, 1948;  
8:52 a. m.]

[Vesting Order 11417]

JOHN BAUM

In re: Claim owned by John Baum.  
D-28-9753-C-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That John Baum, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany)

2. That the property described as follows: That certain claim against the State of Wisconsin and the Commissioner of Savings and Loan Associations of the State of Wisconsin, State Office Building, 1 West Wilson Street, Madison 2, Wisconsin, arising by reason of the collection or receipt by said Commissioner, pursuant to provisions of Section 215.33 (13) (a) of the Laws of Wisconsin relating to Savings and Loan Association, (Revised to September 1947) of the following: That certain sum of money in

the amount of \$941.06 as of April 27, 1948, representing liquidating dividends and a prior liquidating dividend received on certificate numbered 2758 of the Home Mutual Building and Loan Association, said sum being presently on deposit in the Savings and Loan Association Department of the State of Wisconsin, and any and all rights to file with said Commissioner, demand, enforce and collect the aforesaid claim,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany)

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on June 10, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,  
Assistant Attorney General,  
Director Office of Alien Property.

[F. R. Doc. 48-5982; Filed, July 2, 1948;  
8:52 a. m.]

[Vesting Order 11450]

MARY K. HIBLER

In re: Rights of the domiciliary personal representatives, heirs, next of kin, legatees and distributees, names unknown of Mary K. Hibler, deceased, under insurance contract. File No. F-28-26629-H-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That the domiciliary personal representatives, heirs, next of kin, legatees and distributees, names unknown of Mary K. Hibler, deceased, who there is reasonable cause to believe are residents of Germany, are nationals of a designated enemy country (Germany)

2. That the next proceeds due or to become due under a contract of insurance evidenced by Claim Settlement

Certificate No. 7400, issued by the Prudential Insurance Company of America, Newark, New Jersey, to Mary K. Hibler, together with the right to demand, receive and collect said net proceeds, is property within the United States owned or controlled by, payable or deliverable to, held on behalf of, or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Germany)

and it is hereby determined:

3. That to the extent that the domiciliary personal representatives, heirs, next of kin, legatees and distributees, names unknown, of Mary K. Hibler, deceased, are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on June 21, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,  
Assistant Attorney General,  
Director Office of Alien Property.

[F. R. Doc. 48-5983; Filed, July 2, 1948;  
8:52 a. m.]

[Vesting Order 11452]

YOSHINORI KOJIRI

In re: Rights of Yoshinori Kojiri under insurance contract. File No. F-39-6164-H-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Yoshinori Kojiri, whose last known address is Japan, is a resident of Japan and a national of a designated enemy country (Japan)

2. That the net proceeds due or to become due under a contract of insurance evidenced by policy No. 294,658, issued by The Manufacturers Life Insurance Company, Honolulu, Territory of Hawaii, to Yoshinori Kojiri, together with the right to demand, receive and collect said net proceeds,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of, or on account of, or owing to, or which is evidence of ownership or control by, the



aforesaid national of a designated enemy country (Japan)

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Japan)

All determinations and all action re-

quired by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have

the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on June 21, 1948.

For the Attorney General.

[SEAL]      DAVID L. BAZELON,  
*Assistant Attorney General,*  
*Director, Office of Alien Property.*

[F. R. Doc. 48-5334; Filed, July 2, 1948;  
8:52 a. m.]

